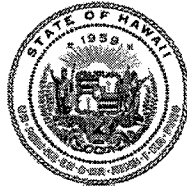


LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



KURT KAWAFUCHI
DIRECTOR OF TAXATION

SANDRA L. YAHIRO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809

PHONE NO: (808) 587-1510
FAX NO: (808) 587-1560

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT & TAXATION

TESTIMONY REGARDING SB 3114 RELATING TO REVENUE AUTHORITIES ADMINISTERED BY THE GOVERNMENT

TESTIFIER: KURT KAWAFUCHI, DIRECTOR OF TAXATION (OR DESIGNEE)

DATE: FEBRUARY 7, 2008

TIME: 1:15PM

ROOM: 224

This legislation is the Department of Taxation's technical corrections bill for 2008.

The Department of Taxation (Department) **strongly supports** this measure and requests the Committee to pass this measure unamended.

This legislation contains various amendments to revenue laws for the purpose of clarifying, simplifying, and conforming Hawaii tax law, where necessary. The intended purpose of this legislation is simply to make tax administration more efficient.

The Department's comments have been kept brief given the numerous issues and length of this legislation—

I. ERRONEOUS REFUND CLAIMS

Congress recently amended the Internal Revenue Code to allow for a twenty percent penalty on any excessive refund claims.

This new erroneous refund claim penalty is found at 26 USC § 6676. This penalty was included in recent congressional legislation as a revenue raiser for the federal government. With certain of the tax incentives provided in Title 14, HRS, providing the Department of Taxation with the ability to assess a penalty for refund or credit claims where a taxpayer's claim lacks a reasonable basis will assist with the administration of Hawaii's taxes by providing a deterrent mechanism, which presently does not exist. As was the intent on the federal level, this legislation would also be a potential revenue raiser for the general fund.

II. PUBLIC BOARD OF REVIEW INFORMATION

Current law is ambiguous as to whether certain information discussed at a Taxation Board of Review hearing is public and able to be disseminated.

Chapter 232, HRS, is clear that a Board of Review hearing is a public meeting. However, other conflicting confidentiality laws preclude the Department from discussing the taxpayer's identity or the specific legal arguments presented to the Board of Review. A dilemma arises if a person who was not present at the hearing requests information regarding the hearing, the Department cannot disclose appeal briefs or taxpayer identity. However, if the same person were at the hearing, the person would know the taxpayer's identity and other material information. This bill clarifies what information is public when discussed at a Board of Review hearing.

III. SOCIAL SECURITY NUMBERS ON APPEAL DOCUMENTS

With the onset of identity theft, administration of tax appeals should likewise conform to protection of such sensitive data.

Currently, tax appeals require taxpayers to submit a copy of the tax return(s) in dispute during the appeal. Tax returns routinely contain sensitive data, including social security numbers of individuals. This bill authorizes individuals and the Department to redact all but the last four digits of the social security number on any tax returns filed with the Tax Appeal Court.

IV. CONFORMITY DIGEST

Current law requires the Department to submit a statutory digest summarizing all tax laws passed by Congress in the prior calendar year early in the legislative session.

In recent years, the political makeup of Congress has been such that any tax amendments to continue common tax provisions are passed in the waning days of the calendar year, which is just days from the start of the Hawaii legislative session. The congressional digest of federal tax laws is extremely complicated and time consuming, taking months to complete. It is not uncommon for Department staff to digest nearly thousands of sections of congressional law. In order to maximize resources and minimize delay to the Legislature, this bill amends the law to allow discretion as to whether a digest is submitted to the Legislature. However, the bill also amends the law to require the Department to fully appraise the Legislature on the conformity measure in summary form by providing explanations, testimony, and revenue impact information.

V. "KIDDIE TAX" AMENDMENTS

In its conformity provisions, Hawaii does not expressly conform to the "Kiddie Tax" assessed by the Internal Revenue Code.

However, Hawaii has adopted its own "Kiddie Tax" at section 235-7.5, HRS. In 2006, Congress made various amendments to the "Kiddie Tax" contained in the Internal Revenue Code.

This bill makes similar conforming amendments to the changes made by Congress to ensure consistency in the application and assessment of these similar taxes.

VI. TAX ADMINISTRATION SPECIAL FUND

Act 206, Session Laws of Hawaii 2007, amended the Tax Administration Special Fund to allow use of the funds for the administration of credits under section 235-110.9, HRS.

The Department of Taxation understood the intent of this amendment was to allow use of the funds for administration of other high tech credits, including the refundable credit for research activities under section 235-110.91, HRS. This bill clarifies that the tax administration special fund may be used for administering both high technology tax credits.

VII. CANNED SOFTWARE ELIGIBILITY FOR THE CAPITAL GOOD EXCISE TAX CREDIT

Hawaii's capital goods excise tax credit allows a credit equal to the general excise tax paid on depreciable tangible personal property.

The credit defines depreciable tangible personal property as of the Internal Revenue Code of 1954, as amended in 1984. Canned computer software was considered depreciable tangible personal property in the Internal Revenue Code of 1986. This bill amends the definition of depreciable tangible personal property to allow for canned computer software to qualify for the capital goods excise tax credit. The bill also deletes from the definition of cost "the actual invoice price," so that cost will be defined as basis, which is simpler to administer. The bill also eliminates the phase-in language since the credit has been completely phased-in since 1989.

VIII. WHOLESALE GENERAL EXCISE TAX RATE CORRECTION

Current law does not have a corresponding wholesale general excise tax rate of one-half of one per cent for the sales of tangible personal property.

This bill provides a conforming amendment to allow for a wholesale general excise tax rate for sales of tangible personal property to conform this provision to other provisions allowing the same.

IX. VESSEL EXEMPTION

There currently exists an exemption from the general excise tax for the repair of surface vessels owned by the federal government or for use out-of-state.

This bill amends the general excise to make an amendment to clarify that repair of subsurface vessels is likewise included in this exemption.

X. TAX LIEN RECORDING

Encumbrances on real property and motor vehicles are an effective mechanism to significantly increase the likelihood of recovering outstanding tax and other debts.

This bill clarifies that debts and judgments owed the state or counties are valid claims for purposes of recordation on the tax lien encumbrance record and precludes the county from charging the state a \$5 fee for each entry on the tax lien encumbrance record. This bill also requires the county directors of finance to require payment of such tax or other debts owed as a condition of removing a tax lien or encumbrance.

XI. SOCIAL SECURITY NUMBER USE; CHAPTER 487J, HRS

Chapter 487J, HRS, was enacted in 2006 to limit the use of social security numbers by businesses and government.

The Department's tax administration processes and procedures rely heavily on the use of the social security number to ensure identification of a taxpayer. This bill makes clarifying amendments to chapter 487J, HRS, that allow the Department of Taxation to utilize social security numbers in the administration of Hawaii taxes.

XII. REVENUE ESTIMATE

The Department points out that this legislation contains revenue impacts; however also contains revenue raisers to assist in offsetting any cost of this legislation.

PETER L. FRITZ
2229 COOPER ROAD
HONOLULU, HAWAII 96822
(808) 532-7118

THE SENATE
THE TWENTY-FOURTH LEGISLATURE
REGULAR SESSION OF 2008

COMMITTEE ON ECONOMIC DEVELOPMENT AND TAXATION

Hearing February 7, 2008
Testimony on S.B. 3114
(Relating To Revenue Authorities Administered By The Government)

Chair Fukunaga, Vice-Chair Espero, members of the Committee:

Hawaii conforms to the Internal Revenue Code (“IRC”). Each session, the Department of Taxation (“Department”) submits a bill adopting or rejecting amendments to the IRC that were enacted on or before “the December 31 preceding such regular session.” The Department is required to prepare a digest of the amended provisions of the IRC which are recommended or not recommended to conform Hawaii’s tax law to the IRC with the bill.

Section 6 of this bill would amend section 235-2.5, Hawaii Revised Statutes, to delete the requirement that the Department prepare a digest of the amendments to the Internal Revenue Code that were adopted or rejected. In lieu of the digest, the Department proposes to submit testimony, comments and an explanation of the changes.

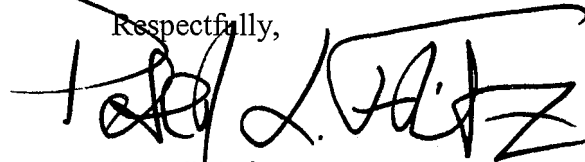
I strongly oppose the changes proposed in Section 6 of SB 3114.

- The Department requires a digest administer the tax laws for the State of Hawaii in a consistent, uniform, and fair manner. The digest is used by auditors to know the exact provision of the IRC that was adopted. Taxpayers need to know what provisions were adopted or rejected. Attorneys, accountants and tax return preparers consult the digest to be certain of the laws that apply to their clients. They cannot properly advise their clients without a digest. The law could be administered in an inconsistent, non uniform and unfair manner unless there was a digest that explained the exact provisions that were adopted from the IRC.
- The Department’s staff must review, analyze and make recommendations about the amendments made to the IRC prior to the regular session to prepare the conformity bill. This analysis is what is incorporated into the digest.
- A digest will exist long after the staff that prepared the digest left the Department. It provides a history and continuity for the taxpayers of Hawaii.

- A digest is required so that the legislators can know if a specific provision, important to a constituent was adopted or why it was rejected and to know which provisions of the IRC were adopted.
- Taxpayers will need a digest to help prove that they had a reasonable basis for their claim for a refund to avoid the penalties that will be imposed by the new provision under Section 2 of this bill.

Thank you for the opportunity to testify.

Respectfully,



Peter L. Fritz



**SENATE BILL 3114: RELATING TO REVENUE AUTHORITIES
ADMINISTERED BY THE GOVERNMENT**

DATE: February 7, 2008
1:15 p.m., Conference Room 229

TO: Senate Committee on Economic Development and Taxation
The Honorable Carol Fukunaga, Chair
The Honorable Will Espero, Vice Chair

FROM: Lisa H. Gibson
President
Hawaii Science & Technology Council

RE: Opposition to SB3114, Relating to Revenue Authorities Administered by the Government

Aloha Chair, Vice Chair, and Members of the Committee:

We strongly oppose S.B. No. 3114, Relating to Revenue Authorities Administered by the Government, which would establish a twenty percent penalty for erroneous refund or credit claims. As explained below, this bill would add a provision to Hawaii's tax laws which is unnecessary, because adequate penalties already exist, unfair, because it would unfairly penalize taxpayers who in good faith submit reasonable claims, and unwise because it would undermine the Legislature's purpose in enacting these credits by dissuading taxpayers from properly claiming them for R&D activities.

There is insufficient indication as to what constitutes "erroneous" in the penalty provision contained in Section 2 of the bill. This penalty provision is based substantially upon section 6676 of the Internal Revenue Code, which was added effective May 25, 2007 by the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007." The Department of Taxation asks that this section of the bill be enacted to provide a deterrent to baseless refund claims, claiming that no such deterrent exists now.

We would draw this Committee's attention to section 231-36, HRS, which makes it a crime to file a tax return that is false or fraudulent as to any material matter, or to aid or abet the same. Section 231-39(b)(2)(A), HRS, states that a penalty of up to 25 percent of any underpayment of taxes may be assessed when it results from negligence or intentional disregard of rules. Section 231-39(b)(2)(B), HRS, states that a penalty of up to 50 percent of any underpayment of taxes may be assessed when it results from fraud. The penalty regime in chapter 231, HRS, contains several important differences from the myriad excise taxes and penalties provided for in the Internal Revenue Code, and we would urge extreme caution when attempting to apply a Federal penalty, and one scarcely a year old, to taxes and systems that are very different from the Federal code on which it is based.



Specifically with regard to the credits granted by this Legislature to the high technology industry and others, we would like to point out that the Federal system has many rulings, cases, and other authorities on which to show a "reasonable basis" for a position. The Department has announced to tax practitioners and those in the technology industry that it would interpret the high technology industry credits more stringently because the credit is so generous. Thus, the Department will not necessarily accept a reasoned analysis of Federal precedents in the area as a reasonable basis to claim high technology credits, with the likely result being saber rattling, litigation, and other means that the Department might use to intimidate taxpayers into giving up credits and incentives to which they would be legitimately entitled.

As such, we propose that the penalty proposed by S.B. 3114 be substantially similar to that set out in section 6662 of the Internal Revenue Code ("I.R.C."). The twenty percent penalty under IRC § 6662 applies if the underpayment of taxes is attributable to negligence or disregard of rules or regulations. "Negligence" includes a failure to make a reasonable attempt to comply with the IRC and "disregard" includes any careless, reckless, or intentional disregard. IRC § 6662(c). If there is reasonable cause for the taxpayer's claim and the taxpayer acts in good faith, the underpayment penalty will not apply. IRC § 6664(c).

Such a position is also in line with the definition of "erroneous" in Hawaii case law. "Clearly erroneous" is defined in relation to Rule 52 of the Hawaii Rules of Civil Procedures. The Hawaii Supreme Court has stated that findings by the trial court are "clearly erroneous" if a reviewing court is driven to the conclusion that all objective appraisals of the evidence would result in a different finding. *Low v. Honolulu Rapid Transit Co.*, 50 Haw. 582 (1968). Stated another way, a finding is clearly erroneous if, upon the application of correct principles of law, the finding is forbidden by reason. *In re Estate of Campbell*, 46 Haw. 475 (1963). The standard for applying the penalty proposed by Section 2 of the bill, then, should be whether a claim has a reasonable basis in law and regulations.

Because the penalty proposed by S.B. No. 3114 is essentially a penalty for the underpayment of taxes, we urge the committee to adopt language similar to that under IRC sections 6662 and 6664. Not only will the adoption of such language bring the S.B. No. 3114 into conformity with the Internal Revenue Code, but will also prevent taxpayers who file with a reasonable basis and good faith from being unduly penalized. For these reasons, we oppose Section 2 of S.B. No. 3114. Thank you for this opportunity to testify.

Lisa H. Gibson
President

Testimony on S.B. No. 3114

Senator Carol Fukunaga, Chair
Senator Will Espero, Vice-chair
Committee on Economic Development and Taxation
Steven Loui
Navatek/Pacific Marine
sloui@navatekltd.com 551-7001
Thursday, February 7, 2008

Opposition to SB 3114, Relating to Revenue Authorities Administered by the Government

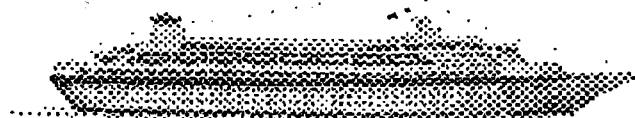
My name is Steven Loui, President and owner of Navatek Ltd. and Pacific Shipyards International. Navatek, Ltd. was founded in 1979 and operates out of offices in Honolulu, Hawaii with 47 employees. It is a privately-owned subsidiary of *kama'aina* company Pacific Marine, founded by my father Fred Hing Mun Loui in 1944, with 350 employees and annual revenues of \$73 million. Parent company Pacific Marine also owns Pacific Shipyards International LLC, the State's largest commercial ship repair and construction company, with 210 employees.

Since its founding, Navatek has been a leader in researching, developing and testing at sea innovative, advanced ship hull designs and associated technologies. It is a State of Hawaii - Qualified High Technology Business (QHTB) and a leader in Hawaii's emerging high tech industry. Navatek's primary customer is the Office of Naval Research.

We strongly oppose S.B. No. 3114, Relating to Revenue Authorities Administered by the Government, which would establish a twenty percent penalty for erroneous refund or credit claims. As explained below, this bill would add a provision to Hawaii's tax laws which is unnecessary, because adequate penalties already exist; unfair, because it would unfairly penalize taxpayers who in good faith submit reasonable claims; and in the case of our high technology industry unwise because it would undermine the Legislature's purpose in enacting Act 215/221 credits by dissuading taxpayers from properly claiming them for R&D activities..

We would draw this Committee's attention to section 231-36, HRS, which makes it a crime to file a tax return that is false or fraudulent as to any material matter, or to aid or abet the same. Section 231-39(b)(2)(A), HRS, states that a penalty of up to 25 percent of any underpayment of taxes may be assessed when it results from negligence or intentional disregard of rules. Section 231-39(b)(2)(B), HRS, states that a penalty of up to 50 percent of any underpayment of taxes may be assessed when it results from fraud.

Because the penalty proposed by S.B. No. 3114 is essentially a penalty for the underpayment of taxes, we urge the committee to adopt language similar to that under IRC sections 6662 and 6664. Not only will the adoption of such language bring the S.B. No. 3114 into conformity with the Internal Revenue Code, but will also prevent taxpayers who file with a reasonable basis and good faith from being unduly penalized. For these reasons, we oppose Section 2 of S.B. No. 3114. Thank you for this opportunity to testify.



MARITIME CONSULTANTS of the PACIFIC

serving Hawaii and the Pacific

February 7, 2008

COMMITTEE ON ECONOMIC DEVELOPMENT AND TAXATION

Chair Carol Fukunaga, Vice Chair Will Espero, and Members

Public Hearing, February 7, 2008; 1:15p.m. Conference Room 224

**TESTIMONY OF MARITIME CONSULTANTS OF THE PACIFIC, LLC
IN SUPPORT OF S.B. 3114
TECHNICAL CLARIFICATION INSERTION SECTION #11**

My name is William Anonsen and I am the Principal for Maritime Consultants of the Pacific, LLC. We strongly support a technical insertion as reflected in Section #11 of S.B.3114. This technical addition to the Hawaii Revised Statutes, §237-28.1, would serve to clarify and improve the administration of Hawai'i General Excise Tax interpretations, by including subsurface vessels in keeping with the initial intent of the exemption.

"§237-28.1 Exemption of certain shipbuilding and ship repair business.


There shall be exempted from, and excluded from the measure of, the taxes imposed by this chapter all of the gross proceeds arising from shipbuilding and ship repairs rendered to surface **and subsurface** vessels federally owned or engaged in interstate or international trade."

Without the inclusion of subsurface vessels in this exemption it contributes to an increased financial burden for our military operations in Hawai'i in particular for the current large subsurface vessel fleet home-ported in Pearl Harbor. The lack of a uniformly applied exemption sends an inappropriate message to our military commands, and risks the loss of substantial work opportunity for local business when ship repairs on subsurface vessels are transferred and performed outside the state.

The provisions of Hawaii Revised Statutes in their current form are not fair and equitable for all types of ship repair work/services and puts Hawai'i based vessel operations at a competitive disadvantage.

Mahalo for the opportunity to comment on this measure.

Sincerely,


William F. Anonsen
Principal

L E G I S L A T I V E

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: ADMINISTRATION, Technical amendments

BILL NUMBER: SB 3114; HB 3192 (Identical)

INTRODUCED BY: SB by Hanabusa by request; HB by Say by request

BRIEF COMMENTS: Adds a new section to HRS chapter 231 to provide that a person making a claim for an excessive amount of tax refund or credit without a reasonable basis shall be subject to a penalty of 20% of the excessive amount. Defines "excessive amount" as the amount by which the claim or refund for any taxable year exceeds the amount of such claim allowable for the taxable year. This section shall be applicable to claims submitted on or after July 1, 2007.

Amends HRS section 232-7(b) to provide that a taxpayer's identity and final documents submitted for a tax appeal shall be public information. Amends HRS sections 232-16 and 232-18 to provide that a taxpayer's return that accompanies a notice of appeal or a certificate of appeal shall only be required to contain the last four digits of the taxpayer's social security number. These sections shall be applicable to claims filed on or after July 1, 2007.

Amends HRS section 235-2.5 to delete the provision requiring the department of taxation to submit a digest of the provisions of the Internal Revenue Code recommended for adoption, limited adoption or no adoption for Hawaii tax purposes.

Amends HRS section 235-7.5 to make changes in Hawaii's "Kiddie Tax" provisions to make it more consistent to the federal provisions. This section shall be applicable to tax years beginning after December 31, 2007.

Amends HRS section 235-20.5 to provide that the tax administration special fund shall also be used to administer the refundable credit for research activities. The amendments made to this section by this act shall not be repealed when this section is reenacted on January 1, 2011 pursuant to Act 206, SLH 2007.

Amends HRS section 235-110.7 to allow "canned computer software" to qualify for the capital goods excise tax credit for tax years beginning after December 31, 2007.

Amends HRS section 237-13 to clarify that the sales of tangible personal property sold at wholesale are taxed at the rate of 0.5%. This section shall be applicable to gross income received after January 1, 2009.

Amends HRS section 237-28.1 to provide that the general excise tax exemption for certain shipbuilding and ship repair businesses shall also be applicable to subsurface vessels. This section shall be applicable to gross income received after January 1, 2009.

Amends HRS section 286-46 to provide that debts and judgments owed the state or counties are valid claims for purposes of recordation of tax lien encumbrance records.

SB 3114; HB 3192 - Continued

Amends HRS section 487J-2 to clarify that the department of taxation may continue to use social security numbers in the administration of Hawaii's tax laws.

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: This is an administration measure submitted by the department of taxation TAX-08 (08). This measure proposes various amendments to clarify, simplify, and conform Hawaii tax law language to the federal Internal Revenue Code.

On the federal level, the Small Business and Work Opportunity Act of 2007 (SBWOA) (Title VIII of P.L. 110-28) added an erroneous refund claim penalty. If a claim for a refund or credit is made for an excessive amount, and there is no basis for such claim, then a penalty of 20% of the disallowed amount of the claim is assessed on the person making the claim. While the proposed measure adopts similar provisions for Hawaii tax purposes, it should be clarified to be applicable to all taxes under Title 14.

The proposed measure provides that the documents submitted by a taxpayer pursuant to a taxation board of review hearing shall be public information. While the justification sheet states that since HRS chapter 232 provides that a board of review hearing is a public meeting, and confidentiality provisions prohibit the department of taxation from disclosing appeal briefs or the taxpayer's identity if the taxpayer was not present at the proceedings, the proposed amendment would facilitate the tax appeal case. While it may be desirable to adopt the proposed amendment to facilitate board of review proceedings for the tax department, treatment of confidentiality provisions should be consistent for all tax appeals.

The measure also proposes that the department of taxation in the preparation of the conformity measure that adopts sections of the federal Internal Revenue Code for Hawaii income tax purposes shall not be required to prepare a digest of such provisions to the legislature but instead may submit only testimony and comments. This amendment would insure that lawmakers and the public will be kept in the dark as to what provisions of the federal law have been amended or added as the amendment would allow the department to make comments only on those changes it may wish to highlight.

One of the concerns of the legislature when Act 173, SLH 1978, establishing the current conformity statute was adopted, was the revenue impact of the provisions that were being proposed for adoption. Concern focused on whether or not the department would recommend only provisions that would gain revenues for the state and pass on those that would lose revenues. Without the explicit outline of the provisions being adopted, lawmakers could not be assured that this strategy was not the practice. Thus, it became important that the department set out what each amendment of the federal Code did so that lawmakers and the public knew what would or would not become stat law. In some cases where there was redundancy or a need to limit the operation of a federal provision, lawmakers were able to judge based the explicit explanation of the provisions.

If nothing else, this requirement forces the department of taxation to look at each federal amendment and weigh its consequences for state taxpayers. The legislature should also be aware of the impact and specifics of the law they are about to adopt. Without this information, the legislature may not comprehend or understand the conformity measure sufficiently to make an educated decision as to whether or not to adopt such provisions. Lawmakers need to remember that the law is not written just to accommodate present circumstances but to insure that future legislatures will also be as well-equipped and informed about the issues they must address. Just because amendments to the Code have been

SB 3114; HB 3192 - Continued

passed by Congress in the waning days of the federal legislative session should not be used as an excuse to forego a comprehensive digest of the proposed federal changes. The task may be complicated and time consuming, but the exercise should be beneficial to not only the legislature but the department itself since it must administer the changes that are adopted as part of state law. Adoption of this amendment would be a great disservice to the legislature as well as to the taxpaying public.

The SBWOA also makes changes to the "kiddie tax" on the federal level by increasing the age from under 18 to under 19 for the taxing of a child's unearned income at the parent's rate, the proposed measure adopts this amendment and other applicable provisions for Hawaii income tax purposes.

The proposed measure also conforms the definition of depreciable tangible personal property to the federal amendments which included canned computer software to allow such software to be eligible for Hawaii's capital goods excise tax credit.

It is curious that the exemption from the general excise tax for shipbuilding and ship repairs is being extended to "subsurface" vessels. The question is the interpretation of the exemption by the department so strict that it has denied the application of the exemption for the repair of submarines? In any case, the exemption is still limited to vessels owned by the federal government or used in interstate or international trade. It should be remembered that this exemption, enacted in 1971, was granted to level the playing field for the ship repair industry as no other jurisdiction that might also be vying for the work is saddled with a "sales" tax on services.

Other technical amendments further clarify provisions of the general excise tax to clarify that the wholesale general excise tax rate for sales of tangible personal property is 0.5% as an oversight a few years ago deleted the explicit language that specified the lower rate for wholesale sales. Finally, lawmakers may want to review the appropriateness of the title as it does not appear to comport with the content of the bill.

Digested 2/05/08