

Honolulu, Hawaii

FEB 12 2009

RE: S.B. No. 194  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Madam:

Your Committee on Judiciary and Government Operations, to which was referred S.B. No. 194 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require a tax refund to be direct deposited in the taxpayer's account if the taxpayer so desires;
- (2) Prohibit deposit of a taxpayer-client's refund into a paid tax preparer's account;
- (3) Require a paid tax preparer to sign a return prepared by the paid tax preparer; and
- (4) Establish penalties if a paid tax preparer violates provisions of the measure.

Your Committee received testimony in support of this measure from the Department of Taxation.

The intent of this measure is to prohibit a paid tax preparer from designating the preparer's own personal account or business account as the account into which a client's refund should be deposited.



Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate continuing discussions on this matter.

As affirmed by the record of votes of the members of your Committee on Judiciary and Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 194, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 194, S.D. 1, and be referred to the Committee on Ways and Means.


Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Government Operations,

  
BRIAN T. TANIGUCHI, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Judiciary and Government Operations**  
**JGO**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB194	JGO, NAM	2/10/09		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
TAKAMINE, Dwight Y. (VC)	✓			
BUNDA, Robert				✓
GABBARD, Mike	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam	✓			
<b>TOTAL</b>	5	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
<b>Distribution:</b>				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes