
A BILL FOR AN ACT

RELATING TO LIQUOR.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 231-28, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§231-28 Tax clearance before procuring liquor licenses.**

4 No liquor licenses shall be issued or renewed unless the
5 applicant therefor shall present to the issuing agency, a
6 certificate signed by the director of taxation, showing that the
7 applicant does not owe the State any delinquent taxes,
8 penalties, or interest[-]; provided that a liquor license may be
9 renewed if the applicant has entered into an approved
10 installment plan with the director of taxation to repay any
11 delinquent taxes, penalties, and interest, and is current in
12 payments and not in default."

13 SECTION 2. Section 281-45, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§281-45 No license issued, when.** No license shall be
16 issued under this chapter:

17 (1) To any minor or to any person who has been convicted
18 of a felony and not pardoned (except that the



1 commission may grant a license under this chapter to a
2 corporation that has been convicted of a felony where
3 the commission finds that the organization's officers
4 and shareholders of twenty-five per cent or more of
5 outstanding stock are fit and proper persons to have a
6 license), or to any other person not deemed by the
7 commission to be a fit and proper person to have a
8 license;

9 (2) To a corporation the officers and directors of which,
10 or any of them, would be disqualified under paragraph
11 (1) from obtaining the license individually, or a
12 stockholder of which, owning or controlling twenty-
13 five per cent or more of the outstanding capital
14 stock, or to a general partnership, limited
15 partnership, limited liability partnership, or limited
16 liability company whose partner or member holding
17 twenty-five per cent or more interest of which, or any
18 of them would be disqualified under paragraph (1) from
19 obtaining the license individually;

20 (3) Unless the applicant for a license or a renewal of a
21 license, or in the case of a transfer of a license,
22 both the transferor and the transferee, present to the



1 issuing agency a signed certificate from the director
2 of taxation and from the Internal Revenue Service
3 showing that the applicant or the transferor and
4 transferee do not owe the state or federal governments
5 any delinquent taxes, penalties, or interest; [~~or~~]
6 provided that a license may be renewed if the
7 applicant has entered into an approved installment
8 plan with the director of taxation or Internal Revenue
9 Service, as the case may be, to repay any delinquent
10 taxes, penalties, and interest, and is current in
11 payments and not in default; or

12 (4) To any applicant who has had any liquor license
13 revoked less than two years previous to the date of
14 the application for any like or other license under
15 this chapter."

16 SECTION 3. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 4. This Act shall take effect on July 1, 2112, and
19 shall be repealed on July 1, 2012.



Report Title:

Liquor License Renewal; Delinquent Tax Payment Plan

Description:

During the economic downturn, allows liquor licensees who have an agreement to repay delinquent liquor taxes on a payment plan schedule and who are current and not in default, to renew their liquor licenses. (HB656 HD1)

