

STAND. COM. REP. NO.

2976

Honolulu, Hawaii

APR - 1 2010

RE: H.B. No. 1948
H.D. 1
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1948, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to expedite the refund to taxpayers of tax overpayments.

More specifically, this measure requires the Department of Taxation to provide refunds to taxpayers within ninety days of the earlier of the filing of the return or the due date of the tax.

The measure also requires that, if the refund is not paid within the ninety-day period, interest will accrue to the taxpayer at the rate of one-third of one per cent per month until the refund and accrued interest is paid to the taxpayer.

Testimony in opposition to this measure was submitted by the Department of Taxation. The Tax Foundation of Hawaii submitted comments on the measure. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure will ensure that taxpayers who are entitled to a tax refund for the overpayment of taxes receive their refund in a timely manner.



Your Committee has amended this measure by:

- (1) Requiring the Department of Taxation to provide refunds to taxpayers within ninety days of the later of:
 - (A) The due date of the tax return; or
 - (B) The date the tax return is filed; and
- (2) Changing the effective date to July 1, 2020, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1948, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1948, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

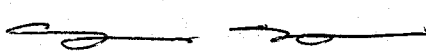


DONNA MERCADO KIM, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1948 HD1	WAM	3/31/10		
<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
KIM, Donna Mercado (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
GALUTERIA, Brickwood	/			
HEE, Clayton	/			
HOOSER, Gary L.	/			
KIDANI, Michelle N.	/			
KOKUBUN, Russell S.	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
TOTAL	12	0	0	0
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes