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## A BILL FOR AN ACT

RELATING TO THE AUDITOR.

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

1           SECTION 1. Section 23-5, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:  
3           "(a) The auditor may examine and inspect all accounts,  
4 books, records, files, papers, and documents and all financial  
5 affairs of every department, office, agency, and political  
6 subdivision[-], including the state department of taxation;  
7 provided that for examinations and inspections relating to the  
8 state department of taxation, the auditor shall implement  
9 internal policies to protect the confidentiality of private  
10 personal information contained in tax returns."

11           SECTION 2. Section 231-18, Hawaii Revised Statutes, is  
12 amended to read as follows:

13           "~~§231-18 [Federal or other tax officials]~~ Officials  
14 permitted to inspect returns; reciprocal provisions.

15 Notwithstanding the provisions of any law making it unlawful for  
16 any person, officer, or employee of the State to make known  
17 information imparted by any tax return or permit any tax return  
18 to be seen or examined by any person, it shall be lawful to



1 permit a duly accredited tax official of the United States, any  
 2 state or territory, any county of this State, or the Multistate  
 3 Tax Commission or the auditor to inspect any tax return of any  
 4 taxpayer, or to furnish to an official, commission, or the  
 5 authorized representative thereof an abstract of the return or  
 6 supply the official, commission, or the authorized  
 7 representative thereof with information concerning any item  
 8 contained in the return or disclosed by the report of any  
 9 investigation of the return or of the subject matter of the  
 10 return for tax or auditing purposes only. The Multistate Tax  
 11 Commission may make the information available to a duly  
 12 accredited tax official of the United States, any state or  
 13 territory, or the authorized representative thereof, for tax  
 14 purposes only."

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 Statutory material to be repealed is bracketed  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

17 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

*Calvin M. Day*  
 (By Request)  
 JAN 21 2011



**Report Title:**

Auditor; Powers and duties

**Description:**

Grants explicit authority to the Auditor to inspect the documents and financial affairs of the Department of Taxation. Requires the Auditor to implement internal policies to protect confidentiality of private personal information contained in tax returns.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

