
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Section 231-96, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~§~~**231-96** Failure to record transaction ~~[by receipt]~~.

4 (a) It shall be unlawful to conduct more than ten taxable
5 business transactions per day in cash and fail to ~~[provide]~~:

6 (1) Offer a receipt or other record of the transaction
7 ~~[when the means for issuing a receipt or recording the~~
8 ~~transaction are available.]~~; and

9 (2) Maintain a contemporaneously generated record of all
10 business transactions conducted each day,

11 whether handwritten or generated by a manually operated or
12 electronic cash register. Each day a person is in violation of
13 this section shall be treated as a separate violation.

14 ~~[Any]~~ (b) Except as provided in subsection (c), any person
15 who violates this section shall be subject to a fine not to
16 exceed \$1,000; provided that if the person is a cash-based
17 business, the fine shall not exceed \$2,000.



1 (c) If the person, including a cash-based business, is
2 otherwise in compliance with title 14 at the time of violation
3 of this section, the fine for a violation of this section shall
4 be commensurate with the violation, as determined by the
5 department in accordance with rules adopted pursuant to chapter
6 91."

7 SECTION 2. Section 231-97, Hawaii Revised Statutes, is
8 repealed.

9 [~~§231-97 Failure to record transaction by register. It~~
10 ~~shall be unlawful to conduct more than ten taxable business~~
11 ~~transactions per day in cash and fail to record the transaction~~
12 ~~in a cash register when the means for recording the transaction~~
13 ~~in a cash register are available. Each day a person is in~~
14 ~~violation of this section shall be treated as a separate~~
15 ~~violation. Any person who violates this section shall be~~
16 ~~subject to a fine not to exceed \$1,000; provided that if the~~
17 ~~person is a cash based business, the fine shall not exceed~~
18 ~~\$2,000."~~]

19 SECTION 3. This Act does not affect the rights and duties
20 that matured, penalties that were incurred, and proceedings that
21 were begun before its effective date.



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2011.



Report Title:

Tax Administration; Cash Economy; Receipts and Records

Description:

Clarifies violations of record and receipt requirements. Limits fines for violation if person is otherwise in compliance with tax laws to a level commensurate with the violation, as determined by the Department of Taxation in accordance with rules adopted under chapter 91, Hawaii Revised Statutes. Effective July 1, 2011. (HB828 CD1)

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

