

STAND. COM. REP. NO. 859

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 828
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 828, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to help clarify procedures associated with the tax administration of the cash economy by, among other things:

- (1) Establishing conditions to inspect records and receipts relating to cash business transactions;
- (2) Clarifying state of mind for the violation of record and receipt requirements;
- (3) Requiring maintenance of a contemporaneously generated record of all business transactions conducted each day; and
- (4) Permitting records to be prepared by hand or by cash register.

The Department of Taxation opposed this bill. The Tax Foundation of Hawaii provided comments.

HB828 HD2 HSCR FIN 2011-2646

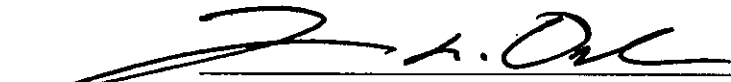


Your Committee has amended this bill by:

- (1) Adding a savings clause; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 828, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 828, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



