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L A T E

SENATE COMMITTEE ON WAYS AND MEANS

**TESTIMONY OF THE DEPARTMENT OF TAXATION
REGARDING HB 801, HD 2 SD1
RELATING TO TAXATION**

TESTIFIER: FREDERICK D. PABLO, DIRECTOR OF TAXATION (OR
DESIGNEE)
COMMITTEE: WAM
DATE: APRIL 1, 2011
TIME: 9:00AM
POSITION: SUPPORT

The Department of Taxation (Department) **strongly supports** this measure. This measure clarifies the Department's subpoena authority for civil and criminal investigations.

Specifically, the bill clarifies HRS § 231-7 in the following ways:

- Clarifies the Department's authority to issue subpoenas in civil and criminal inquiries, investigations or hearings;
- Allows for the subpoena of records which are stored electronically;
- Sets forth the reimbursement rate for the reproduction of records; and
- Clarifies that compliance with a Department-issued subpoena shall not give rise to a civil action for damages.

Adoption of these amendments to HRS § 231-7 will further the Department's ability to administer the State's tax laws fairly, consistently and uniformly.

Thank you for the opportunity to submit comments.