

**SB 34**

**Testimony**

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## SENATE COMMITTEE ON JUDICIARY & LABOR

### TESTIMONY OF THE DEPARTMENT OF TAXATION REGARDING SB 34 RELATING TO TAX APPEALS

**TESTIFIER:** FREDERICK D. PABLO, INTERIM DIRECTOR OF  
TAXATION (OR DESIGNEE)

**COMMITTEE:** JDL

**DATE:** FEBRUARY 15, 2011

**TIME:** 9:30AM

**POSITION:** DEFER TO ATTORNEY GENERAL

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This measure prohibits discovery and limits the award of costs in controversies involving small claims tax appeals.

The Department of Taxation (Department) **defers to the Attorney General** on this legislation.

The Department of the Attorney General represents the Department in Tax Appeal Court and therefore is the proper authority to comment on this measure.

**From:** [Tina Desuacido](#)  
**To:** [JDLTestimony](#)  
**Subject:** Tax Foundation Testimony  
**Date:** Monday, February 14, 2011 7:35:20 AM  
**Attachments:** [S0034-11.pdf](#)

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**TRANSMISSION OF TESTIMONY**

**DATE:** Monday, February 14, 2011

**TO:** Senate Committee on Judiciary & Labor

**FROM:** Tax Foundation of Hawaii

**Total Pages 1**

**FOR:** Sen. Clayton Hee, Chair

**Testifier:** Lowell L. Kalapa, President - Tax Foundation of Hawaii

(Mr. Kalapa will not appear in person at the hearing.)

**Date of Hearing - Tuesday, February 15, 2011**

**Position: Comments**

**Time of Hearing - 9:30 am**

**SB 34 - Relating to Tax Appeals (1 page)**

**Number of copies - 1**

**Thank you.**

# TAXBILLSERVICE

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TAX FOUNDATION OF HAWAII

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: TAX APPEALS, Small claims tax appeals

BILL NUMBER: SB 34

INTRODUCED BY: Baker by request

BRIEF SUMMARY: Amends HRS section 232-5 to provide that the tax appeal court: (1) shall not allow pretrial discovery; and (2) shall provide that costs and fees awarded to the prevailing party shall be limited to the fees paid directly to the court in conducting the tax appeal at issue.

EFFECTIVE DATE: July 1, 2011

STAFF COMMENTS: The proposed measure would clarify that pretrial discovery is not allowed in the small claims division of the tax appeal court. While pretrial discovery is permitted in the civil courts, the small claims court is meant to handle claims quickly and cheaply. Legal representation is not permitted in small claims trials, but an attorney may be consulted with prior to trial.

Digested 2/14/11