

Honolulu, Hawaii

April 5, 2012

RE: S.B. No. 2868
S.D. 1
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2868, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX CLEARANCE FEES,"

begs leave to report as follows:

The purpose of this measure is allow the Department of Taxation to impose a \$20 fee for a tax clearance application, a \$5 fee to obtain a certified copy of the tax clearance, and additional fees related to the issuance of tax clearances; provided that there is no fee for electronic tax clearance requests.

The Department of Taxation and Hawaii Alliance of Nonprofit Organizations testified in support of this measure. A concerned individual testified in opposition to this measure. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by replacing its contents with the substance of a similar measure, H.B. No. 2606, H.D. 1, which allows the Department of Taxation to impose a \$20 fee for a tax clearance application and a \$5 fee to obtain a certified copy of the tax clearance.

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 S.B. No.

SB2868 HD1 HSCR FIN HMS 2012-3202



2868, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2868, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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



MARCUS R. OSHIRO, Chair



