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LATE TESTIMONY

THE HOUSE
THE TWENTY-SIXTH LEGISLATURE
Regular Session of 2012

COMMITTEE ON JUDICIARY

Chair Keith-Agaran, Vice Chair Rhoads, Members of the Committee:

**Hearing date: Thursday, January 26, 2012
Testimony on HB 1695
(Relating to Taxation)
Prohibits Stacking of Penalties**

Chair Keith-Agaran, Vice Chair Rhoads, Members of the Committee:

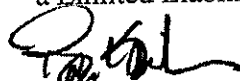
We urge passage of this bill which would prohibit penalties for wilful failure to collect and pay taxes, substantial understatements or misstatements, and erroneous claims for refund or credit from being added to tax underpayments on which certain other penalties are already imposed.

Many new tax penalties were enacted in 2009 through the passage of Act 166. While these penalties are similar to those imposed under the federal Internal Revenue Code, the federal provisions do not stack onto one another for the same violation. This bill will ameliorate the impact of these penalties by prohibiting the assessment of multiple penalties relating to the same tax error.

Thank you for affording me the opportunity to testify.

Very truly yours,

CHUN, KERR, DODD, BEAMAN & WONG,
a Limited Liability Law Partnership


Ray Kamikawa