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LATE

TO: Committee on Economic Development and Technology

HEARING

DATE: Monday, March 21, 2011, 1:15 p.m.

RE: HB 418, HD1 General Excise Tax Law (Electronic Payment)
Request Amendment

Aloha Chair Fukunaga, Vice Chair Wakai and Members of the Committee,

Thank you for this opportunity to provide testimony regarding HB418, HD1. This bill would require more taxpayers to pay certain taxes via electronic means. While I agree it is in the best interest of the state to promptly receive tax payments, it should also be noted that electronic payments are more efficient for the state and therefore cost less to administer than payments via check. The state, however, currently charges a minimum "administrative fee" of \$1 for each online tax payment. (Payments made via credit card incur a higher fee.)

In recognition of the reduced costs of electronic payments, **please amend this bill to indicate that the state should not charge an additional fee for electronic payments.**