

NEIL ABERCROMBIE
GOVERNOR

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STATE OF HAWAII
DEPARTMENT OF TAXATION
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LATE TESTIMONY

FREDERICK D. PABLO
DIRECTOR OF TAXATION

RANDOLF L. M. BALDEMOR
DEPUTY DIRECTOR

To: The Honorable Joseph M. Souki, Chair
and Members of the House Committee on Transportation

Date: Monday, March 12, 2012

Time: 9:00 a.m.

Place: Conference Room 309, State Capitol

From: Frederick D. Pablo, Director
Department of Taxation

Re: S.B. 2224 SD 1 Relating to the Tax Lien and Encumbrance Record

The Department of Taxation (Department) supports S.B. 2224 SD1.

This measure amends section 286-46, Hawaii Revised Statutes, to allow the recordation of outstanding judgments payable to state or county agencies as a condition precedent to a vehicle's renewal, registration, or transfer of ownership, and to exempt state or county agencies from paying the statutory fee of five dollars. The measure also allows a taxpayer to provide evidence of having entered into a payment plan with the Department in lieu of fully paying the amount of delinquencies, since the amount of a delinquency may be far greater than what a taxpayer could pay in one installment.

This measure will assist the Department in collecting delinquent tax accounts. The Department also strongly supports the provision waiving the required recordation fee for State and county agencies.

Thank you for the opportunity to provide comments.