

STAND. COM. REP. NO.

1462

Honolulu, Hawaii

April 5, 2013

RE: S.B. No. 1192
S.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1192, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO COLLECTION OF TAXES,"

begs leave to report as follows:

The purpose of this measure is to amend the law governing the disposition of property seized by the Department of Taxation.

Specifically, the measure provides:

- (1) The Department of Taxation more time in which to sell property that has been seized due to a failure of a taxpayer to pay a tax delinquency; and
- (2) For a tolling of the allotted time if any party commences an action concerning the seized property.

The Department of Taxation submitted testimony in support of the measure. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the existing thirty day period does not provide an adequate amount of time for the Department of Taxation to sell property that has been seized for the non-payment of taxes. This often makes the seizure and selling of assets a nonviable option for the Department. This measure would increase the period of time in which the Department of Taxation has to

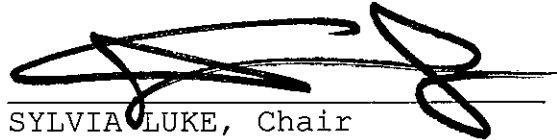
SB1192 SD1 HSCR LRB 13-2128.doc



conduct sales of assets that have been seized for non-payment of taxes to one hundred eighty days.

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. 1192, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

A handwritten signature in black ink, appearing to read 'SYLVIA LUKE', is written over a horizontal line. The signature is stylized and somewhat cursive.

SYLVIA LUKE, Chair



