

NEIL ABERCROMBIE
GOVERNOR

SHAN TSUTSUI
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

FREDERICK D. PABLO
DIRECTOR OF TAXATION

JOSHUA WISCH
DEPUTY DIRECTOR

LATE TESTIMONY

To: The Honorable Sylvia Luke, Chair
and Members of the House Committee on Finance

Date: Wednesday, February 13, 2013

Time: 2:00 p.m.

Place: Conference Room 308, State Capitol

From: Frederick D. Pablo, Director
Department of Taxation

Re: H.B. 389 Relating to Income Tax

Department of Taxation (Department) appreciates the intent of H.B. 389, but has concerns about its ability to implement the provisions of this bill due to the technological limitations of the Department's computer system and limited staffing resources.

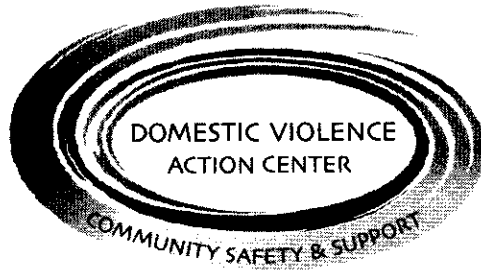
H.B. 389 allows taxpayers, with an income tax refund of \$20 or more, an option to designate \$5 or \$10 to certain special funds or accounts for taxable years beginning after December 31, 2012. Currently, taxpayers may designate \$5 to Hawaii children's trust fund, domestic violence and sexual assault special fund, and spouse and child abuse funds as set forth in section 235-102.5(d), Hawaii Revised Statutes.

Implementation of this measure's provisions will require software coding and testing resources. In particular, the Department is concerned with the provision which allows taxpayers the option to choose between differing amounts for donation.

The Department anticipates commencing the development of the Tax System Modernization (TSM) project before the end of the year. The TSM project is the Department's highest priority and all of our available staff resources will be focusing on its development. For these reasons, diverting valuable staff resources to accommodate the changes which do not generate revenue, as required by H.B. 389, will be difficult at this time.

In FY 2012, the domestic violence and child abuse neglect special fund totaled \$154,465. The Department estimates that these funds may net an increase of \$31,000 per year, if H.B. 389 is adopted.

Thank you for the opportunity to provide comments.



LATE TESTIMONY

To: Chair Luke
Vice Chair Nishimoto
Vice Chair Johanson
Members of the Committee on Finance

Fr: Nanci Kreidman, M.A.

RE: HB 389

Good afternoon. Thank you for the opportunity to lend our support to the Bill before you raising the amount permitted by taxpayers to support the important work supported by Hawaii's child and spouse abuse accounts. I am currently serving as the Chair of the Hawaii Children's Trust Fund and serve as CEO of a domestic violence agency as well as a Board member of the Hawaii State Coalition Against Domestic Violence since its inception. We are enthusiastic about increasing the options for support to the Trust Fund and pertinent community programs.

As agencies providing critical community services endeavor to sustain programs and stabilize budgets, support from the members of our community can make an enormous difference. As you are abundantly aware, state and federal funds have shrunk and competition for private grants and participation at events is fierce.

The opportunity to make a small (but significant) contribution through a tax check off is a wonderful option. It will never make up the difference in budget cutbacks that programs have suffered—every penny helps-- and it is going to take all of us to sufficiently address domestic violence, child abuse and sexual violence among intimate partners.

Since the tax check off is an option taxpayers may select to contribute to this good work, we are hoping that the Committee on Finance will move favorably and pass H.B. 389.

Thank you for allowing us to advocate for this adjustment to the statute.

LATE TESTIMONY

HB389

Submitted on: 2/13/2013

Testimony for FIN on Feb 13, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Raytan K. Vares	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

LATE TESTIMONY

HB389

Submitted on: 2/12/2013

Testimony for FIN on Feb 13, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Jasmine Ramos	Individual	Support	No

Comments: I support HB389 which will allow for the Income Tax refund check-off to be increased from \$5 to \$10. Funding from this check off system will support programs to assist our children from abuse, domestic violence victims and families in need.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov