

# TAXBILLSERVICE

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SUBJECT: ADMINISTRATION, Cash economy enforcement

BILL NUMBER: SB 1196; HB 965 (Identical)

INTRODUCED BY: SB by Kim by request; HB by Souki by request

BRIEF SUMMARY: Amends HRS section 231-96(a) to replace the language that “it shall be unlawful to conduct more than ten taxable business transactions per day” with “it shall be unlawful for any person doing business under chapter 237, other than casual sales, to conduct any transaction.”

EFFECTIVE DATE: July 1, 2013

STAFF COMMENTS: This is an administration measure submitted by the department of taxation TAX-15 (13). It appears that under the existing language, taxpayers have stated that they have conducted under ten transactions and are not required to keep any records for the cash-based transaction. This measure would remove that language and subject all transactions, other than casual sales, to the laws regulating cash transactions including offering receipts and keeping timely records of transactions handled each day.

Digested 1/28/13