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# A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 231-9.9, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:  
3           "(a) The director of taxation is authorized to require  
4 every person whose tax liability for any one taxable year  
5 exceeds [~~\$100,000~~] \$25,000 and who files a tax return for any  
6 tax, including consolidated filers, to remit taxes by one of the  
7 means of electronic funds transfer approved by the department;  
8 provided that for withholding taxes under section 235-62,  
9 electronic funds transfers shall apply to annual tax liabilities  
10 that exceed [~~\$40,000.~~] \$25,000. Notwithstanding the tax  
11 liability thresholds in this subsection, the director of  
12 taxation is authorized to require any person who is required to  
13 electronically file a federal return or electronically remit any  
14 federal taxes to the federal government, to electronically file  
15 a state return and electronically remit any state taxes under  
16 title 14 to the department. The director is authorized to grant  
17 an exemption to the electronic filing and payment requirements  
18 for good cause."



1 SECTION 2. Section 237-34, Hawaii Revised Statutes, is  
2 amended by amending subsection (a) to read as follows:

3 "(a) All monthly and annual returns filed manually shall  
4 be transmitted to the office of the taxation district in which  
5 the privilege upon which the tax accrued is exercised. [~~Where~~]  
6 If the privilege is exercised in more than one taxation  
7 district, the returns shall be transmitted to the office of the  
8 first district.

9 Beginning January 1, 2015, all monthly returns and annual  
10 returns filed by monthly filers shall be filed electronically.  
11 The director, in the director's discretion, may assess an  
12 administrative fee on a monthly return or annual return filed by  
13 a monthly filer that is not filed electronically. The  
14 department may waive the administrative fee for good cause  
15 shown, including the inability to file an electronic return due  
16 to a disability or the noncompliance of the department's  
17 electronic filing system with established standards for  
18 accessibility of electronic information by disabled persons.

19 The department may determine alternative methods for the  
20 signing, subscribing, or verifying of a tax return, application,  
21 report, or other document that shall have the same validity and  
22 consequences as the actual signing by the taxpayer. A filing



1 under this section shall be treated in the same manner as a  
2 filing subject to the penalties under section 231-39."

3 SECTION 3. This Act does not affect rights and duties that  
4 matured, penalties that were incurred, and proceedings that were  
5 begun before its effective date.

6 SECTION 4. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect on July 1, 2030.



**Report Title:**

General Excise Tax; Monthly Returns; Electronic Filing

**Description:**

Requires all general excise tax monthly returns to be filed electronically, beginning on 1/1/2015. Authorizes the director of taxation to assess fines for returns filed manually. Reduces the threshold amount for electronic funds transfers. Effective 7/1/2030. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

