

# S.B. NO. 2895

JAN 23 2014

---

## A BILL FOR AN ACT

RELATING TO TAXPAYER EDUCATION.

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

1 SECTION 1. Section 235-20.5, Hawaii Revised Statutes, is  
2 amended by amending subsection (b) to read as follows:

3 "(b) The moneys in the fund shall be used for the  
4 following purposes:

5 (1) Issuing comfort letters, letter rulings, written  
6 opinions, and other guidance to taxpayers;

7 (2) Issuing certificates under sections 235-110.9 and 235-  
8 110.91; [~~and~~]

9 (3) Administering the operations of the special  
10 enforcement section [-]; and

11 (4) Developing, implementing, and providing taxpayer  
12 education programs including tax publications."

13 SECTION 2. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15 SECTION 3. This Act shall take effect upon its approval.

16

17

INTRODUCED BY:



18

BY REQUEST

S.B. NO. 2895

**Report Title:**

Taxation; Taxpayer Education

**Description:**

Allows the Department of Taxation to use funds from the Tax Administration Special Fund for taxpayer education purposes.

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

JUSTIFICATION SHEET

DEPARTMENT: Taxation

TITLE: A BILL FOR AN ACT RELATING TO TAXPAYER EDUCATION.

PURPOSE: Allow the Department for taxpayer education programs with funds from the tax administration special fund.

MEANS: Amend section 235-20.5(b), Hawaii Revised Statutes.

JUSTIFICATION: Proper taxpayer education leads to increased voluntary compliance. By educating taxpayers the State will benefit through increased compliance and therefore revenue.

Impact on the public: The public will benefit from taxpayer education because they will possess the knowledge and tools necessary to become and remain compliant with all taxes that they may be subject to.

Impact on the department and other agencies: The Department will benefit greatly because when taxpayers are voluntarily compliant it can focus its resources in other areas.

GENERAL FUND: Pending.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

OTHER AFFECTED AGENCIES: None.

EFFECTIVE DATE: Upon approval.