

STAND. COM. REP. NO.

1450

Honolulu, Hawaii

April 4, 2013

RE: S.B. No. 1191
S.D. 1
H.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. 1191, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO BOARDS OF REVIEW,"

begs leave to report as follows:

The purpose of this measure is to authorize the Director of Taxation to create up to three boards of review in any taxation district where disputes cannot reasonably be decided within one year.

This measure also authorizes the chair of one board of review to assign a member of that board to serve as a temporary member of another board of review in the same taxation district for the purposes of establishing and maintaining quorum.

Your Committee received testimony in support of this measure from the Department of Taxation. The Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that there are more than two hundred tax appeal cases currently pending review by the Oahu taxation district board of review. Your Committee believes that, by authorizing creation of additional boards of review, this measure will provide the necessary tools to reduce the backlog of cases awaiting resolution.

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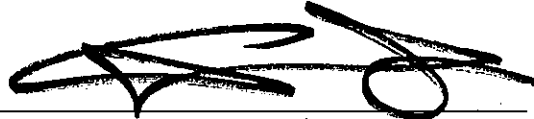


Your Committee also notes that current law requires each board of review to commence public meetings not later than April 9 of each year. Your Committee recognizes that this time period is in the midst of tax season, which is the busiest time of the year for most of the board members who are tax professionals.

Accordingly, your Committee has amended this measure by deleting the specific April 9 deadline for each board of review to commence public meetings and instead requiring that each board hold public hearings at least once annually.

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. 1191, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1191, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

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



SYLVIA LUKE, Chair



