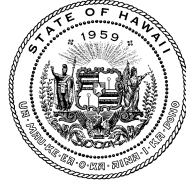


NEIL ABERCROMBIE  
GOVERNOR

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

To: The Honorable Josh Green, Chair  
and Members of the Senate Committee on Health

Date: Monday, February 10, 2014

Time: 1:15 p.m.

Place: Conference Room 229, State Capitol

From: Frederick D. Pablo, Director  
Department of Taxation

Re: S.C.R. No. 3/S.R. No. 4 Urging the Department of Taxation to Amend the  
Hearing Examination Section of Tax Form N-172 to Include Individuals with  
Meniere's Disease.

The Department of Taxation (Department) opposes S.C.R. 3/S.R. 4, and offers the following comments for the Committee's consideration.

S.C.R. 3/S.R. 4 urges the Department to amend Form N-172: Claim for Tax Exemption by Person with Impaired Sight or Hearing or by Totally Disabled Person and Physician's Certification by amending Section B of the form to allow for an alternative test in lieu of the test of hearing loss without aid.

The Department notes that it cannot make this change to Form N-172 without a change in the law. Section 235-1, Hawaii Revised Statutes, defines "deaf" as "a person whose average loss in the speech frequencies (500-2000 Hertz) in the better ear is eighty-two decibels, A.S.A., or worse." Therefore the Department cannot offer alternative tests on Form N-172 unless the law is amended to allow such tests. The Department does not have the expertise to take a position on whether adding a new hearing test is appropriate.

Thank you for the opportunity to provide comments.