

STAND. COM. REP. NO. 2449

Honolulu, Hawaii

**FEB 19 2016**

RE: S.B. No. 2924  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred S.B. No. 2924 entitled:

"A BILL FOR AN ACT RELATING TO THE DISCLOSURE OF TAX RETURN INFORMATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend section 231-18, Hawaii Revised Statutes (HRS), to allow disclosure of tax return information to the Department of the Attorney General, federal, state, or local officials, and other persons in specified situations; and
- (2) Amend section 235-116, HRS, to clarify that all information filed under chapter 235, HRS, with any state agency is confidential.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Department of Taxation is authorized to disclose tax return information to duly accredited federal, state, and local tax officials. This measure clarifies some of the common, specific instances where the Department of Taxation may disclose tax return information. However, your



Committee has concerns regarding the types of federal, state, or local agencies and personnel that are authorized to receive tax return information and the purposes for which these agencies and personnel are authorized to use the information.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2924, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2924, S.D. 1, and be referred to your Committee on Ways and Means.


Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary and  
Labor,

  
GILBERT S.C. KEITH-AGARAN, Chair



The Senate  
 Twenty-Eighth Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Judiciary and Labor**  
**JDL**

|  |  |                         |     |          |
|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:*<br><b>SB 2924</b>  | Committee Referral:<br><b>JDL, WAM</b> | Date:<br><b>2/17/16</b> |     |          |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |     |          |
| The Recommendation is:<br><input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |  |                         |     |          |
| Members  | Aye                                    | Aye (WR)                | Nay | Excused  |
| KEITH-AGARAN, Gilbert S.C. (C)   | /                                      |                         |     |          |
| SHIMABUKURO, Maile S.L. (VC)   | /                                      |                         |     |          |
| GABBARD, Mike  | /                                      |                         |     |          |
| KIM, Donna Mercado   |  |                         |     | /        |
| THIELEN, Laura H.  | /                                      |                         |     |          |
| SLOM, Sam  | /                                      |                         |     |          |
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| <b>TOTAL</b>   | <b>5</b>                               |                         |     | <b>1</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |     |          |
| Chair's or Designee's Signature:    |  |                         |     |          |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy   |  |                         |     |          |

\*Only one measure per Record of Votes