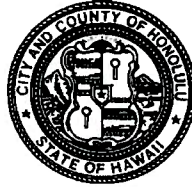


**LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU**

711 KAPIOLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249
PHONE (808) 768-7300 • FAX (808) 768-7311
INTERNET ADDRESS: www.honolulu.gov/liq • E-MAIL: liquor@honolulu.gov



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ADMINISTRATOR

ANNA C. HIRAI
ASSISTANT ADMINISTRATOR

February 24, 2015

Representative Angus L.K. McKelvey, Chair
Representative Justin H. Woodson, Vice Chair
Committee on Consumer Protection & Commerce

Hearing: Wednesday, February 25, 2015
2:30 p.m.; Room 325

Position: Support HB 293 HD1, Relating to Liquor Licenses

Dear Chair McKelvey, Vice Chair Woodson, and Members:

The Liquor Commission, City and County of Honolulu (Commission), supports House Bill 293 HD1, Relating to Liquor Licenses.

Before a liquor license can be issued, transferred, or renewed, the applicant or licensee must produce to the Commission a signed certificate from the state Director of Taxation (DoTax) and from the Internal Revenue Service (IRS) showing that the applicant or licensee does not owe the state or the federal government any delinquent taxes, penalties, or interest ("tax clearance"). Meeting this requirement is particularly critical at license renewal time, when the Commission's 1,400+ liquor licenses all must be renewed and issued in a timely fashion to prevent a break in liquor sales and service for the licensee. The proposed measure will amend Section 281-45(3), Hawaii Revised Statutes, to authorize the county liquor commissions to accept a certificate of vendor compliance issued by the Hawaii Compliance Express system in satisfaction of the tax clearance requirement. This certificate of vendor compliance will provide compliance assurance equal to the tax clearances issued by DoTax and the IRS, while making for a more efficient license renewal process for those licensees who utilize Hawaii Compliance Express's vendor compliance system.

The Liquor Commission urges your support of House Bill 293 HD1, Relating to Liquor Licenses. Thank you for the opportunity to testify.

Respectfully submitted,


FRANKLIN DON PACARRO, JR.
Administrator

FDP:ACH

Bernard P. Carvalho, Jr.
Mayor

Nadine K. Nakamura
Managing Director



Gerald T. Rapozo
Director

DEPARTMENT OF LIQUOR CONTROL
County of Kaua'i, State of Hawai'i
4444 Rice Street, Suite 120, Lihue, Hawai'i 96766
TEL (808) 241-4966 FAX (808) 241-6585

February 20, 2015

Representative Angus L.K. McKelvey, Chair
Representative Justin H. Woodson, Vice Chair
Committee on Consumer Protection & Commerce

Hearing: Wednesday, February 25, 2015
2:30 p.m.; Room 325

Position: Support HB 293 Relating to Liquor Licenses

Dear Chair McKelvey, Vice Chair Woodson and Members:

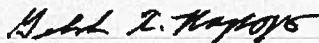
The Department of Liquor Control, County of Kauai, supports House Bill 293 relating to Liquor Licenses.

Currently, a liquor license applicant is required to submit as part of its application a "signed certificate from the director of taxation and from the Internal Revenue Service" as stated in Section 281-45(3) of the Hawai'i Revised Statutes. Amending the current statute to allow the liquor departments to accept a "Certificate of Vendor Compliance" issued by the Hawai'i Compliance Express is another option for our licensees & applicants.

The certificate from Hawai'i Compliance Express gives "real time" information as to whether or not the entity is in compliance with the state tax office and IRS. Currently, tax clearances which are less than 6 months old are accepted. The Department of Liquor Control, County of Kauai urges you to support House Bill 293, Relating to liquor licenses.

Thank-you for the opportunity to testify on this matter.

Respectfully Submitted,


GERALD T. RAPOZO
Director

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