

STAND. COM. REP. NO. 296

Honolulu, Hawaii

FEB 13 2019

RE: S.B. No. 1269  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1269 entitled:

"A BILL FOR AN ACT RELATING TO TAX APPEALS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Replace the tax boards of review with a single tax appeal review panel comprised of members serving on a full-time basis; and
- (2) Amend the grounds on which an appeal to the administrative appeals and dispute resolution program may be made by disallowing appeals of proposed assessments.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee finds that the system of tax boards of review is impractical due to the difficulty of recruiting a sufficient pool of qualified members. Your Committee further finds that a significant number of tax appeals have been unable to be heard or have been substantially delayed due to the boards' inability to constitute quorum. This measure will replace the tax boards of review system with a single tax appeal review panel comprised of



members serving on a full-time basis who are empowered to hear and decide cases individually.

Your Committee has amended this measure by:

- (1) Allowing any person who has already filed an appeal with a board of review to choose to either continue their appeal with the board of review or withdraw and re-file their appeal with the tax appeal review panel until January 1, 2021, at which point all remaining appeals before a board of review automatically transfer to the tax appeal review panel; 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1269, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1269, 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,



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KARL RHOADS, Chair



