
A BILL FOR AN ACT

RELATING TO TAX REFUND OFFSETS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 231-53, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~{~~ §231-53 ~~}~~ **Setoff against refund.** The State, through
4 the department of accounting and general services ~~[~~ and the
5 department of taxation, upon request of a claimant agency, shall
6 set off any valid debt due and owing a claimant agency by the
7 debtor against any debtor's refund. Any amount of the refund in
8 excess of the amount retained to satisfy the debt shall be
9 refunded to the debtor."

10 SECTION 2. Section 231-54, Hawaii Revised Statutes, is
11 amended to read as follows:

12 " ~~{~~ §231-54 ~~}~~ **Hearings; appeals.** At the time a setoff is
13 identified, the debtor shall be notified by the comptroller,
14 department of accounting and general services, or the director
15 of taxation, of the State's intention to apply the debtor's debt
16 against the refund. The notice shall state that the debtor
17 within thirty days may request a hearing before the claimant
18 agency to contest the setoff. No issues that have been

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1 previously litigated shall be considered at the hearing.
2 Appeals from the hearing allowed under this section shall be in
3 accordance with chapter 91."

4 SECTION 3. Section 231-57.5, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "§231-57.5 Notification of address and social security
7 number of debtor parent. The department of accounting and
8 general services or the department of taxation shall notify the
9 child support enforcement agency of the address and social
10 security number of each debtor who has been subject to a setoff
11 because of a child support debt."

12 SECTION 3. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY: 

BY REQUEST
JAN 22 2019

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Report Title:

Tax Refund Offsets

Description:

Clarifies that tax refund offsets may be performed by the Department of Accounting and General Services and the Department of Taxation.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

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JUSTIFICATION SHEET

DEPARTMENT: Taxation.

TITLE: A BILL FOR AN ACT RELATING TO TAX REFUND OFFSETS.

PURPOSE: Clarifies that tax refund offsets may be performed by the Department of Accounting and General Services and the Department of Taxation.

MEANS: Amend sections 231-53, 231-54 and 231-57.5, Hawaii Revised Statutes.

JUSTIFICATION: The statutes relating to tax refund offsets state that the department of accounting and general services performs the offsets, notifies the debtors, and provides certain information to the claimant agencies. This measure clarifies that these functions may be done by the department of accounting and general services or department of taxation.

Impact on the public: None.

Impact on the department and other agencies:
The Department of Taxation and the Department of Accounting and General Services will benefit from statutory clarity regarding tax refund offsets.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

OTHER AFFECTED AGENCIES: Department of Accounting and General Services.

EFFECTIVE DATE: Upon approval.