

STAND. COM. REP. NO. 459-20

Honolulu, Hawaii

FEB 13 , 2020

RE: H.B. No. 2365
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Labor & Public Employment, to which was referred H.B. No. 2365 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Amend the due date for employers to file a duplicate copy of the wage and tax statement (Form W-2) from the last day of February to January 31 following the close of the calendar year; and
- (2) Establish a \$25 penalty per violation if an employer fails to timely furnish and file the Form W-2.

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

Your Committee finds that this measure benefits employers by aligning the State's filing deadlines with those of the Internal Revenue Service.

Your Committee has amended this measure by:

HB2365 HD1 HSCR LAB HMS 2020-1015



- (1) Changing the effective date to January 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2365, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2365, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Labor & Public
Employment,



AARON LUNG JOHANSON, Chair



