

STAND. COM. REP. NO. 628 -22

Honolulu, Hawaii

FEB 18 , 2022

RE: H.B. No. 2179

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 2179 entitled:

"A BILL FOR AN ACT RELATING TO COLLECTION OF DELINQUENT TAXES,"

begs leave to report as follows:

The purpose of this measure is to authorize the Director of Taxation, under certain circumstances, to apply to the circuit court to convert certain tax liens into enforceable civil judgments.

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

Your Committee finds that under existing law, if a delinquent taxpayer deliberately ignores the Department of Taxation's communications and their tax lien remains uncontested, the collection process cannot move forward, thereby making their delinquent tax case uncollectible. This measure will incentivize delinquent taxpayers to proactively respond to tax lien notices and lead to increased tax compliance by allowing the Director of Taxation to seek judicial enforcement of tax liens.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this

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report, your Committee is in accord with the intent and purpose of H.B. No. 2179 and recommends that it be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



MARK M. NAKASHIMA, Chair



