STAND. COM. REP. NO.

Honolulu, Hawaii

, 2025 MAR 18

S.B. No. 1469 RE: S.D. 2 H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred S.B. No. 1469, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to suspend the statute of limitations on certain collection activities during the period an assessment is pending on appeal before the Taxation Board of Review or Tax Appeal Court.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that this measure ensures that the State has the opportunity to collect taxes once the appeal process is concluded, regardless of the duration of the appeal. Without this suspension, taxpayers could potentially delay or avoid tax payments by prolonging the appeal process, which could harm the State's revenue system and disrupt the fairness of tax enforcement. This measure helps maintain the integrity of tax collections while protecting the taxpayer's right to a fair review process.

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Your Committee has amended this measure by 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 Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1469, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1469, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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

DAVID A. TARNAS, Chair



State of Hawaii House of Representatives The Thirty-third Legislature

Ascr 1335

Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.:Committee Referral:Date:SBI409 SD2JDQ, FIN31425				
 The committee is reconsidering its previous decision on the measure. 				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
JHA Members	Ayes	Ayes (WR)	Nays	Excused
1. TARNAS, David A. (C)				
2. POEPOE, Mahina (VC)				
3. BELATTI, Della Au				
4. COCHRAN, Elle				
5. HASHEM, Mark J.	\checkmark			
6. KAHALOA, Kirstin				
7. PERRUSO, Amy A.				
8. TAKAYAMA, Gregg	\checkmark		200	
9. TODD, Chris		-		
10. GARCIA, Diamond				
11. SHIMIZU, Garner M.				
TOTAL (11)	0	D	\mathcal{O}	2
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Cher Clerk's Office Duplicate (Pink) – HMSO				