

ACT 19

A Bill for an Act Relating to Taxation.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency: Under its tax simplification program, the department of taxation has adopted a combined tax return form for filing general excise, withholding, and use taxes. However, the due dates for filing tax returns for these three taxes are no longer the same. The due date for filing the general excise tax return is the last day of each month following the month in which the tax accrues, while the due date for filing the withholding taxes and the use taxes is the 20th day after the month for which the taxes have been withheld or have accrued, as the case may be. This difference in due dates will hamper the effective use of the combined tax return form.

Moreover, since the due date for the majority of the monthly tax returns falls on or before the last day of the month, it will also work for more tax simplification to have the monthly liquor and tobacco tax returns due on the last day of the month.

By having all of the monthly tax returns due on a common due date, it is hoped that this will simplify tax reporting by the taxpayer and will also simplify processing of such returns by the department of taxation. Accordingly, this Act is considered an urgency measure deemed necessary in the public interest.

SECTION 2. Section 119-5, Revised Laws of Hawaii 1955, as amended, is hereby further amended in the following respects:

(a) By substituting the word "last" for the word "twentieth" appearing in the first sentence thereof.

(b) By substituting the words "the last" for the words "said twentieth" appearing in the third sentence thereof.

(c) By amending the first sentence in the second paragraph thereof to read as follows:

“Notwithstanding the foregoing, a taxpayer may be eligible to file his return required under the provisions of this sentence and make payments thereon on a quarterly basis during the calendar year, such return and payment to be made on or before the last day of the calendar month after the close of each quarter, to wit, on or before April 30, July 31, October 31, and January 31, if he possesses a valid and current permit to file his general excise tax return and to make payments thereon on a quarterly basis issued by the director pursuant to the provisions of section 117-25.”

SECTION 3. Section 121-17, Revised Laws of Hawaii 1955, as amended, is hereby further amended in the following respects:

(a) By amending the first sentence thereof to read as follows:

“Every employer required by this chapter to withhold taxes on wages paid in any month shall make return of such wages to the department on or before the last day of the calendar month following the month for which the taxes have been withheld.”

(b) By amending the phrase beginning with the words “provided further” and ending with the words “January 20”, appearing in the fourth sentence thereof to read as follows:

“provided, further, that the director may grant permission to employers, whose liability to pay over the taxes withheld as heretofore provided shall not exceed \$200 per annum, to make returns and payments thereon on a quarterly basis during the calendar year, such returns and payments to be made on or before the last day of the calendar month after the close of each quarter, to wit, on or before April 30, July 31, October 31, and January 31;”.

SECTION 4. Section 124-6, Revised Laws of Hawaii 1955, as amended, is hereby further amended by substituting the word “last” for the word “twentieth” appearing in the first sentence thereof.

SECTION 5. Section 125-5, Revised Laws of Hawaii 1955, as amended, is hereby further amended by substituting the word “last” for the word “twentieth” appearing in the first sentence thereof.

SECTION 6. This Act shall take effect on July 1, 1966.

(Approved April 5, 1966.) **H.B. 206.**