

ACT 39

H.B. NO. 1699

A Bill for an Act Relating to Fiscal Year Tax Returns.

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

SECTION 1. Section 237-30, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) Notwithstanding subsection (a), the director of taxation [may], for good cause, may permit a taxpayer to file the taxpayer’s return required under this section and make payments thereon:

- (1) On a quarterly basis during the calendar or fiscal year, the return and payment to be made on or before the last day of the calendar month after the close of each quarter, to wit[.]: for calendar year taxpayers, on or before April 30, July 31, October 31, and January 31[.]; or, for fiscal year taxpayers, on or before the last day of the fourth month, seventh month, and tenth month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the taxes due thereon and [further that] the [director is satisfied that the] taxpayer’s total tax liability for the calendar or fiscal year under this chapter will not exceed \$2,000; or
- (2) On a semiannual basis during the calendar or fiscal year, the return and payment to be made on or before the last day of the calendar month after the close of each [six month] six-month period, to wit: for calendar year taxpayers, on July 31 and January 31[.]; or, for fiscal

year taxpayers, on or before the last day of the seventh month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the taxes due thereon and [that] the [director is satisfied that the] taxpayer's total tax liability for the calendar or fiscal year under this chapter will not exceed \$1,000.

The director [may also], for good cause, may permit a taxpayer to make monthly payments based on the taxpayer's estimated quarterly or semiannual liability, provided the taxpayer files a reconciliation return at the end of each quarter or at the end of each [six month] six-month period during the calendar or fiscal year, as [heretofore] provided[.] in this section."

SECTION 2. Section 237D-6, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Notwithstanding subsection (a), the director of taxation, for good cause, may permit a taxpayer to file the taxpayer's return required under this section and make payments thereon:

- (1) On a quarterly basis during the calendar or fiscal year, the return and payment to be made on or before the last day of the calendar month after the close of each quarter, to wit[.]; for calendar year taxpayers, on or before April 30, July 31, October 31, and January 31[.]; or, for fiscal year taxpayers, on or before the last day of the fourth month, seventh month, and tenth month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the taxes due thereon and [that] the taxpayer's total tax liability for the calendar or fiscal year under this chapter will not exceed \$2,000; or
- (2) On a semiannual basis during the calendar or fiscal year, the return and payment to be made by or before the last day of the calendar month after the close of each six-month period, to wit: for calendar year taxpayers, on July 31 and January 31[.]; or, for fiscal year taxpayers, on or before the last day of the seventh month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the taxes due thereon and [that] the taxpayer's total tax liability for the calendar or fiscal year under this chapter will not exceed \$1,000.

The director, for good cause, may permit a taxpayer to make monthly payments based on the taxpayer's estimated quarterly or semiannual liability; provided that the taxpayer files a reconciliation return at the end of each quarter or at the end of each six-month period during the calendar or fiscal year, as provided in this section."

SECTION 3. Section 238-5, Hawaii Revised Statutes, is amended to read as follows:

"§238-5 Returns. (a) On or before the last day of each calendar month, any person who has become liable for the payment of a tax under this chapter during the preceding calendar month in respect of any property or the use thereof, shall file a return with the assessor of the taxation district in which the property was held

ACT 39

when the tax first became payable, or with the director of taxation at Honolulu, setting forth a description of the property and the character and quantity thereof in sufficient detail to identify the same or otherwise in such reasonable detail as the director by [regulations] rule shall require, and the purchase price or value thereof as the case may be. The return shall be accompanied by a remittance in full of the tax, computed at the rate specified in section 238-2 upon the price or value so returned. Any [such] tax remaining unpaid after the last day following the end of the calendar month during which the [same] tax first became payable shall become delinquent; provided that a receipt from a seller required or authorized to collect the tax, given to a taxpayer in accordance with section 238-6, shall be sufficient to relieve the taxpayer from further liability for the tax to which the receipt may refer, or for the return thereof.

(b) Notwithstanding [the foregoing,] subsection (a), a taxpayer may be eligible to file the taxpayer's return required under this section and make payments thereon on a quarterly or semiannual basis during the calendar or fiscal year, [such] the return and payment to be made on or before the last day of the calendar month after the close of each quarter[,] or semiannual period, to wit[.];

- (1) For calendar year taxpayers filing on a quarterly basis, on or before April 30, July 31, October 31, and January 31[.];
- (2) For calendar year taxpayers filing on a semiannual basis, on or before July 31, and January 31;
- (3) For fiscal year taxpayers filing on a quarterly basis, on or before the last day of the fourth month, seventh month, and tenth month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; or
- (4) For fiscal year taxpayers filing on a semiannual basis, on or before the last day of the seventh month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year;

if the taxpayer possesses a valid and current permit to file the taxpayer's general excise tax return and to make payments thereon on a quarterly or semiannual basis issued by the director pursuant to section 237-30. A taxpayer may also be eligible to make monthly payments based on the taxpayer's estimated quarterly or semi-annual liability with a reconciliation return at the end of each quarter or semiannual period during the calendar or fiscal year, as heretofore provided, if the taxpayer possesses a valid and current permit to file quarterly or semiannual reconciliation general excise tax returns and to make monthly payments, issued by the director pursuant to section 237-30.

(c) On or before the twentieth day of the fourth month following the close of the taxable year, every person who has become liable for the payment of taxes both under this chapter and also under chapter 237 during the preceding calendar or fiscal year [(or during the preceding tax year if the person has established a tax year other than the calendar year),] shall file a return summarizing the person's liability under this chapter for the taxable year, in such form as the director shall prescribe and shall file it with the person's annual return of general excise taxes."

SECTION 4. Section 251-4, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Notwithstanding subsection (a), the director, for good cause, may permit a person to file the person's return required under this section and make payments thereon:

- (1) On a quarterly basis during the calendar or fiscal year, the return and payment to be made on or before the last day of the calendar month after the close of each quarter, to wit[,]; for calendar year taxpayers, on or before April 30, July 31, October 31, and January 31[;] or, for fiscal year taxpayers, on or before the last day of the fourth month, seventh month, and tenth month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the surcharge taxes due thereon and that the person's total surcharge tax liability for the calendar or fiscal year under this chapter will not exceed \$2,000; or
- (2) On a semiannual basis during the calendar or fiscal year, the return and payment to be made by or before the last day of the calendar month after the close of each six-month period, to wit[,]; for calendar year taxpayers, on July 31 and January 31[;] or, for fiscal year taxpayers, on or before the last day of the seventh month following the beginning of the fiscal year and on or before the last day of the month following the close of the fiscal year; provided that the director is satisfied that the grant of the permit will not unduly jeopardize the collection of the surcharge taxes due thereon and that the person's total surcharge tax liability for the calendar or fiscal year under this chapter will not exceed \$1,000.

The director, for good cause, may permit a person to make monthly payments based on the person's estimated quarterly or semiannual liability; provided that the person files a reconciliation return at the end of each quarter or at the end of each six-month period during the calendar or fiscal year, as provided in this section."

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 6. This Act shall take effect upon its approval.

(Approved April 22, 1993.)