

ACT 167

S.B. NO. 34

A Bill for an Act Relating to Tax Appeals.

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

SECTION 1. Section 232-5, Hawaii Revised Statutes, is amended to read as follows:

**“§232-5 Small claims.** (a) The tax appeal court shall establish by rule a small claims procedure that, to the greatest extent practicable, shall be informal[.]; provided that:

- (1) No pretrial discovery shall be allowed without the prior written approval of the court; and
- (2) Costs and fees awarded to the prevailing party shall be limited to fees paid directly to the court in the course of conducting the tax appeal at issue.

(b) Any protesting taxpayer who would incur a total tax liability, not including penalties and interest, of less than \$1,000, by reason of the protested assessment or payment in question, may elect to employ the procedure established by this section upon:

- (1) Payment per taxpayer of a non-refundable filing fee set pursuant to rules adopted by the supreme court, which shall not exceed \$25; and
- (2) Filing with the tax appeal court a written statement of the facts in the case, together with a waiver of the right to further appeal.

The tax appeal court shall cause a notice of the appeal and a copy of the statement to be served on the director of taxation[-] and in the case of an appeal from a decision involving a county as a party, the real property assessment division of the county involved.”

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2011.

(Approved June 27, 2011.)