

ACT 97

S.B. NO. 1271

A Bill for an Act Relating to Tax Refund Offsets.

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

SECTION 1. Section 231-53, Hawaii Revised Statutes, is amended to read as follows:

“~~§231-53~~ Setoff against refund. The State, through the department of accounting and general services[;] or the department of taxation, upon request of a claimant agency, shall set off any valid debt due and owing a claimant agency by the debtor against any debtor’s refund. Any amount of the refund in excess of the amount retained to satisfy the debt shall be refunded to the debtor.”

SECTION 2. Section 231-54, Hawaii Revised Statutes, is amended to read as follows:

“[§231-54]] Hearings; appeals. At the time a setoff is identified, the debtor shall be notified by the comptroller~~[, department of accounting and general services,]~~ or the director of taxation of the State’s intention to apply the debtor’s debt against the refund. The notice shall state that the debtor within thirty days may request a hearing before the claimant agency to contest the set-off. No issues that have been previously litigated shall be considered at the hearing. Appeals from the hearing allowed under this section shall be in accordance with chapter 91.”

SECTION 3. Section 231-57.5, Hawaii Revised Statutes, is amended to read as follows:

“§231-57.5 Notification of address and social security number of debtor parent. The department of accounting and general services or the department of taxation shall notify the child support enforcement agency of the address and social security number of each debtor who has been subject to a setoff because of a child support debt.”

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 7, 2019.)