IMPORTANT TAX SEASON INFORMATION

Submitted by the State Department of Taxation

HAPPY NEW YEAR and welcome to another filing season!

Getting your return finished and filed early is especially important this year. The reason? It MAY take longer to process PAPER returns this year, even if you use a mailing label.

On November 6, 2002, we successfully implemented the income tax processing component of our Integrated Tax Information Management System (ITIMS). The conversion to the new system went well, but limitations of the OLD system require us to <u>manually re-enter</u> names, addresses, and other information for many Hawaii taxpayers.

In addition, more tax return information is being entered now, so we can immediately answer more of your questions!

As a result, <u>you may experience delays in processing your tax return IF YOU FILE A</u> PAPER RETURN this year. To avoid delays, E-FILE!

<u>E-filed returns bypass manual processing and speed right on through</u>. You can even <u>e-file now and pay later</u>. No penalties or interest will be assessed if you pay the correct amount of tax in full by the due date.

The Form N-11 used by most Hawaii residents who also file a federal income tax return can be e-filed through the Federal/State Joint Electronic Filing (JELF) program. If you have a paid tax preparer, talk to your preparer about e-filing your return. If you do your own return, visit our website at www.state.hi.us/tax for a list of software that support Hawaii e-filing and a list of software providers that provide on-line filing through the Internet.

In addition, <u>many tax forms can be e-filed via the State's Internet Portal at www.ehawaiigov.org</u>, including general excise tax returns, transient accommodations tax returns, estimated income tax forms, extension requests, and more! There is a nominal fee of \$2.50 if you pay your tax on-line with an electronic check, or you can pay with your charge card for an additional fee. There is no fee if no payment is made.

For the latest news and information on Hawaii taxes, tax forms and publications, and much more, go to our website at www.state.hi.us/tax. Forms and publications are also available at any district tax office or by calling 587-7572 (toll-free at 1-800-222-7572). For information and assistance, call us at 587-4242 (toll-free at 1-800-222-3229), or contact us by e-mail at Taxpayer_Services@tax.state.hi.us.