

STATE OF HAWAII
DEPARTMENT OF TAXATION
HAWAII S CORPORATION
AGREEMENT OF NONRESIDENT SHAREHOLDER

This agreement is to be attached to the S corporation's return for the first year which the corporation is subject to the provisions of section 235-128(c), Hawaii Revised Statutes (HRS), with respect to the nonresident shareholder.

Section 235-128(c), HRS, requires S corporations to timely file this agreement for each nonresident shareholder or to pay to the State an amount equal to the nonresident shareholder's pro rata share of the S corporation's income attributable to Hawaii multiplied by the highest marginal income tax rate for individuals. The S corporation is entitled to recover from a shareholder any such payment made on behalf of the shareholder.

If the shares of the S corporation are jointly owned, each owner must execute a separate agreement.

SHAREHOLDER	S CORPORATION
SSN/FEIN:	FEIN:
NAME:	NAME:
ADDRESS:	ADDRESS:
STATE OF RESIDENCE:	

NONRESIDENT SHAREHOLDER'S AGREEMENT

I agree to file a Hawaii net income tax return and make timely payment of all taxes imposed by the State of Hawaii with respect to my share of the Hawaii income of the S corporation named above.

I also agree to be subject to personal jurisdiction in the State of Hawaii for purposes of the collection of unpaid income tax, together with related interest and penalties.

Date _____ Taxpayer's Signature _____

This agreement is valid until revoked in writing by the nonresident shareholder.