

STATE OF HAWAII—DEPARTMENT OF TAXATION
**APPLICATION FOR TENTATIVE REFUND OF WITHHOLDING
ON DISPOSITIONS BY NONRESIDENT PERSONS OF HAWAII
REAL PROPERTY INTERESTS**

THIS SPACE FOR DATE RECEIVED STAMP



For calendar year **2019**

or other tax year beginning ● _____, 2019
and ending ● _____, 20_____

(NOTE: References to “married” and “spouse” are also references to “in a civil union” and “civil union partner,” respectively.)

NOTE: DO NOT file this form unless you have received notification from the Department of Taxation that we have received your withholding payment. **Address Change**

| | | | | |
|--|-------|--------------------|---------|-----------------------------------|
| Name ● _____ | | Last Name | Suffix | ● Your Social Security Number |
| Spouse's Name ● _____ | | Spouse's Last Name | Suffix | ● Spouse's Social Security Number |
| Name (Corporation, Partnership, Trust, or Estate) ● _____ | | | | ● Federal Employer I.D. No. |
| Trade Name/Doing Business As (DBA) Name or C/O ● _____ | | | | Daytime Phone No. () |
| Mailing Address (number and street) ● _____ | | | | |
| City or Province ● _____ | State | Postal/ZIP Code | Country | |

Description of Hawaii real property transaction:

- a. Date of transfer (mm/dd/yyyy) _____
- b. Location and general description of property

- c. Tax map key number _____

Check only ONE box:

- Individual
- Corporation
- Trust
- Partnership
- Estate

Was the property used at anytime as a rental? Yes No If yes, enter your Hawaii Tax I.D. Number: **GE** _____ - _____ - _____ and indicate the start date and end date of the rental activity: (month, day, year) _____ to (month, day, year) _____

| | | |
|---|-----|--|
| 1. Enter the amount withheld on Form N-288A. (Attach a copy of Form N-288A) | 1 ● | |
| 2. Sales price | 2 | |
| 3. Cost or other basis (see Instructions) | 3 | |
| 4. Gain. Line 2 minus line 3 (see Instructions for installment sales) | 4 | |
| 5. Enter the tentative tax on the gain (see Instructions) | 5 ● | |
| 6. REFUND of amount withheld. Line 1 minus line 5. (This line MUST be filled in.) | 6 ● | |

**Please
Sign
Here**

I hereby declare under penalties provided by section 231-36, HRS, that I have examined this application and accompanying attachments, and, to the best of my knowledge and belief, they are true, correct, and complete.

| | | |
|----------------------|--------------------------------|---------------|
| ● _____ Signature | _____ Title (if applicable) | _____ Date |
| ● _____ Signature | _____ Title (if applicable) | _____ Date |

MAILING ADDRESS
HAWAII DEPARTMENT OF TAXATION
P. O. BOX 1530
HONOLULU, HAWAII 96806-1530

General Instructions

Purpose of Form

Use Form N-288C to apply for a refund of the amount withheld on dispositions by nonresident persons of Hawaii real property interests which is in excess of the transferor/seller's tax liability for the transaction. It is not mandatory to file Form N-288C. Form N-288C should be filed if the Hawaii income tax return (Form N-15, N-20, N-30, N-35, or N-40) for the year is not yet available. If available, the transferor/seller should file the appropriate tax return instead of filing Form N-288C. However, if the transferor/seller's tax year has not ended, the transferor/seller may file Form N-288C. Also, Form N-288C will be rejected if it is filed after the due date of the tax return.

IMPORTANT: If Form N-288C was filed, the transferor/seller must still file a Hawaii income tax return (Form N-15, N-20, N-30, N-35, or N-40) after the end of the taxable year, report the entire income for the year (from other sources as well as the transaction), and pay any additional tax due on the income or request a refund.

Who May File an Application

The transferor/seller may file Form N-288C.

Where to Send Form N-288C

File Form N-288C with the Hawaii Department of Taxation (Department). See the front of the form for the mailing address.

Specific Instructions

NOTE: Before you begin to fill in Form N-288C, you should review the notification you received from the Department that we received your withholding payment to make sure that the information is correct. If any information is not correct, please return a corrected copy of the notification to the Department.

At the top of Form N-288C, enter the taxable year of the transferor/seller if it is other than a calendar year.

If your mailing address has changed, and you do not notify the Department of the change by checking the "Address Change" box, your address may not be updated, any refund due to you may not be delivered (the U.S. Postal Service is not permitted to forward your State refund check), and important notices or correspondence to you may be delayed. To notify the Department of your new address, you can also complete Form ITPS-COA, Change of Address Form.

Enter the name, address, and identification number (social security number or federal employer

I.D. number), if any, of the transferor/seller. The name and identification number entered MUST be the same as the name and identification number entered for the transferor/seller on Form N-288A, or as corrected on the copy of the notification you returned to the Department. If the transferor/seller was issued an individual taxpayer identification number (ITIN) by the IRS, enter the ITIN. If the individual has applied for an ITIN but the IRS has not yet issued the ITIN, write "Applied For."

Enter the information describing the Hawaii real property transaction. In b, enter the address and description of the property. In c, enter the tax map key number.

Line 2. Enter the gross sales price. Attach a copy of your closing escrow statement.

Line 3. In general, the cost or adjusted basis is the cost of the property plus purchase commissions and improvements, minus depreciation (if applicable). Increase the cost or other basis by any expense of sale, such as commissions and state transfer taxes. Do not include any carryforward losses, net operating losses or suspended passive activity losses. Complete the *Computation of cost or other basis* worksheet below and enter the amount from line 4 of the worksheet to the front of Form N-288C, line 3.

Line 4. Line 2 minus line 3. If you are reporting the gain under the installment method, attach a separate sheet showing the principal payments received during the taxable year and the gross profit percentage. Multiply the amount of the principal payments by the gross profit percentage and enter the result on line 4.

Line 5. If you are a C corporation, multiply line 4 by 4% and enter the result on line 5. If you are a person other than a C corporation, you must use the tax rate schedules to the left to determine the amount to enter on line 5.

Note: These tax rates apply to long-term capital gains. For short-term capital gains, use the tax rates in the 2018 income tax booklets to determine the amount to enter on line 5.

For partnerships, S corporations, trusts, or estates, the gain on line 4 must be allocated among each partner or member, S corporation shareholder, or beneficiary of the trust or estate (member). Calculate the tax liability for each member. Enter the total tax liability of all members on line 5. Attach a schedule showing the name, identification number, and the amount of gain and tax liability allocated to each member. Also, show the computation of the tax liability for each member.

Signature

Form N-288C must be signed by an individual, a responsible corporate officer, a member or general partner of a partnership, or a trustee, executor, or other fiduciary of a trust or estate or by an authorized agent with a power of attorney. If you file your income tax return as married filing a joint return, your spouse must also sign this form.

NOTE: Incomplete forms will be returned to the transferor/seller. Please fill out all items.

2019 Tax Rate Schedules

Schedule I

SINGLE INDIVIDUALS AND MARRIED INDIVIDUALS FILING SEPARATE RETURNS

| If the taxable income is: | The tax shall be: |
|---|-------------------------------------|
| Not over \$2,400 | 1.40% of taxable income |
| Over \$2,400 but not over \$4,800 | \$34.00 plus 3.20% over \$2,400 |
| Over \$4,800 but not over \$9,600 | \$110.00 plus 5.50% over \$4,800 |
| Over \$9,600 but not over \$14,400 | \$374.00 plus 6.40% over \$9,600 |
| Over \$14,400 but not over \$19,200 | \$682.00 plus 6.80% over \$14,400 |
| Over \$19,200 but not over \$24,000 | \$1,008.00 plus 7.20% over \$19,200 |
| Over \$24,000 | \$1,354.00 plus 7.25% over \$24,000 |

Schedule II

MARRIED INDIVIDUALS FILING JOINT RETURNS AND CERTAIN WIDOWS AND WIDOWERS

| If the taxable income is: | The tax shall be: |
|---|-------------------------------------|
| Not over \$4,800 | 1.40% of taxable income |
| Over \$4,800 but not over \$9,600 | \$67.00 plus 3.20% over \$4,800 |
| Over \$9,600 but not over \$19,200 | \$221.00 plus 5.50% over \$9,600 |
| Over \$19,200 but not over \$28,800 | \$749.00 plus 6.40% over \$19,200 |
| Over \$28,800 but not over \$38,400 | \$1,363.00 plus 6.80% over \$28,800 |
| Over \$38,400 but not over \$48,000 | \$2,016.00 plus 7.20% over \$38,400 |
| Over \$48,000 | \$2,707.00 plus 7.25% over \$48,000 |

Schedule III

HEAD OF HOUSEHOLD

| If the taxable income is: | The tax shall be: |
|---|-------------------------------------|
| Not over \$3,600 | 1.40% of taxable income |
| Over \$3,600 but not over \$7,200 | \$50.00 plus 3.20% over \$3,600 |
| Over \$7,200 but not over \$14,400 | \$166.00 plus 5.50% over \$7,200 |
| Over \$14,400 but not over \$21,600 | \$562.00 plus 6.40% over \$14,400 |
| Over \$21,600 but not over \$28,800 | \$1,022.00 plus 6.80% over \$21,600 |
| Over \$28,800 but not over \$36,000 | \$1,512.00 plus 7.20% over \$28,800 |
| Over \$36,000 | \$2,030.00 plus 7.25% over \$36,000 |

Computation of cost or other basis worksheet

| | | |
|---|----------|----------|
| 1. Purchase price of property | | \$ _____ |
| 2. Add: Improvements | \$ _____ | |
| Selling expenses | _____ | |
| Other (list) _____ | _____ | |
| 3. Less: Depreciation | _____ | |
| Other (list) _____ | _____ | |
| 4. Adjusted basis of property. (Line 1 plus line 2, minus line 3) | | \$ _____ |