



**DEPARTMENT OF TAXATION**

STATE OF HAWAII

June 28, 1983

# TAX INFORMATION RELEASE

No. 83-3

RE: State Tax Treatment of Pension and Profit-Sharing Plans, Individual Retirement Accounts, H.R. 10 Plans and the Like

This tax information release is issued in response to the numerous requests for information relating to State conformance to Internal Revenue Code provisions with respect to tax treatment of pension and profit-sharing plans, individual retirement accounts, H.R. 10 plans, deferred compensation, tax-sheltered annuities and the like.

Act 25, L. 1982, adopted all of the federal Code changes with respect to the above subject. In addition, this Act repealed the exception to Code sections 403 and 457. Accordingly, Department of Education and University of Hawaii employees may exclude contributions to tax-sheltered annuities for state tax purposes; state and local government employees may exclude qualified deferred compensation amounts for state purposes for taxable years beginning after 1981.

Act 88, L. 1983, made no exception to federal conformity with respect to the deductions and exemptions in the above provisions. Therefore, Hawaii conforms to the federal tax treatment of these provisions, including Code section 401(k), which was not excepted or modified for state tax purposes.

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