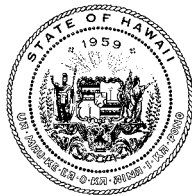


LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



KURT KAWAFUCHI
DIRECTOR OF TAXATION

STANLEY SHIRAKI
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION
P.O. BOX 259
HONOLULU, HAWAII 96809

PHONE NO: (808) 587-1510
FAX NO: (808) 587-1560

September 21, 2009

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2009-28

RE: Extension of Deadline for Undeclared Offshore Bank Account Voluntary Disclosure Program

On September 21, 2009, the Internal Revenue Service (IRS) announced a one-time extension of the deadline for participation in the special undeclared offshore bank account voluntary disclosure program. Taxpayers will now have until October 15, 2009 to come forward.

In Tax Information Release (TIR) No. 2009-03, the Department of Taxation (Department) provided a procedure for taxpayers to concurrently submit a voluntary disclosure for Hawaii tax liabilities sourced from undeclared offshore bank accounts. TIR No. 2009-03 adopted the same deadline as the IRS program, which at the time was September 23, 2009.

Today, the Department announces that it will be conforming to the IRS' one-time extension of the deadline to come forward to take advantage of the Hawaii offshore bank account voluntary disclosure program under TIR 2009-03. Taxpayers will now have until October 15, 2009 to come forward for Hawaii liabilities.

For more information on the IRS' extension of the deadline, please see IRS News Release IR-2009-84.

For a detailed explanation of the Department's undeclared offshore bank account voluntary disclosure program, please see TIR 2009-03.

Taxpayers are reminded that after October 1, 2009, the Department of Taxation is authorized to extend the statute of limitations on assessment to up to six years where taxpayers have substantially underreported their income where a return was filed, as well as assess a 20% substantial understatement penalty, pursuant to Act 166, Session Laws of Hawaii 2009.

A handwritten signature in black ink, appearing to read "Kurt Kawafuchi", written over a circular stamp.

KURT KAWAFUCHI
Director of Taxation