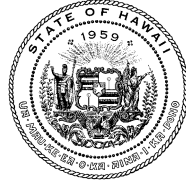


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December 6, 2019

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2019-17

RE: Mandatory electronic filing of transient accommodations tax returns required for taxpayers who are required to file periodic returns monthly

Act 66, Session Laws of Hawaii 2018, amended section 231-8.5, Hawaii Revised Statutes (HRS), to enable the Department of Taxation (Department) to require certain taxpayers, including transient accommodations taxpayers whose liability exceeds \$4,000 for the taxable year, to file returns electronically. Transient accommodations taxpayers whose annual liability exceeds \$4,000 are required to file periodic returns on a monthly basis.

This Announcement serves as notice required under section 231-8.5(c)(2), HRS, that periodic transient accommodations tax returns for months beginning on or after July 1, 2020 will be required to be filed electronically. In addition, annual returns for taxable years beginning on or after January 1, 2020 will be required to be filed electronically.

The following form is available on Hawaii Tax Online (<https://hitax.hawaii.gov>) for electronic filing:

- Form TA-1: Periodic Transient Accommodations Tax Return
- Form TA-2: Transient Accommodations Tax Annual Return and Reconciliation

The Department will impose a two percent penalty on the amount of tax required to be shown on the return if the return is not filed electronically unless the failure is due to reasonable cause and not due to neglect. The Department will be phasing in other tax types for mandatory electronic filing in the future.

RONA M. SUZUKI
Director of Taxation