



Hawaii Tax News

Volume 3, Number 2

State of Hawaii • Department of Taxation

SUMMER 1999

Department Prepares For Year 2000

The Department of Taxation began its initial Year 2000 (Y2K) efforts in 1996, and has been working steadily to ensure Y2K compliance. Our department has two mainframe application systems: the Comprehensive Net Income Tax (CNIT) system and the General Excise, Withholding, Transient Accommodations, and Rental Motor Vehicle and Tour Vehicle Surcharge Tax (GEW/TAT) system. Modifications to both systems are expected to be ready for full systems testing by June 1999. Testing should be completed on the CNIT system in July and on the GEW/TAT system in August. Both systems should be Y2K compliant by September. Upgrades to commercial hardware and software applications also are expected to be completed by September.

Although our Y2K compliance program is going well, a contingency plan has been developed to specifically address a "worst case scenario" on January 1, 2000. Should access to the mainframe systems and local area network/wide area network be unavailable for more than a week, this plan would allow basic levels of services to be provided to taxpayers until normal levels of services can be restored.

The Department has received hundreds of letters of inquiry from other agencies, companies, and the general public about our Y2K-readiness. We want to assure everyone that the Department recognizes the importance of the Y2K situation, and that we are making every effort to ensure that our systems will be compliant. ■

Every Day is Problem Solving Day

The Department of Taxation and the Internal Revenue Service held their first joint problem solving day for 1999 on April 12 and 13 on the island of Molokai.

The Department assisted approximately 20 taxpayers with problems ranging from tax information to non-filed returns. The Molokai taxpayers were very receptive to the IRS and State representatives and many asked for another problem solving day next year.

Taxpayers who are experiencing problems with their State taxes are reminded that they do not have to wait for a "Problem Solving Day" in order to receive assistance. With the establishment of the Department's Taxpayer Advocacy Program, every day is problem solving day.

What is the Taxpayer Advocacy Program?

The Taxpayer Advocacy Program is administered by the Taxpayer Advocacy Office of the Department of Taxation. This office was established to provide the taxpayers of Hawaii with a one-stop service for taxpayer concerns that cannot be resolved through normal channels. Assistance is provided on a case-by-case basis focusing on your needs.

When Should You Use the Taxpayer Advocacy Program?

The Department of Taxation is committed to administering the tax and revenue laws of the State of Hawaii in a consistent, uniform and fair manner. We strive to perform in a manner responsive and sensitive to the public's needs while respecting the concerns and rights of each taxpayer. In most instances, tax problems are resolved promptly through regular contacts. However, if you still have difficulty in resolving your problem after several attempts, or if you feel your rights as a taxpayer have been abridged, this office may be able to help you.

Where is the Taxpayer Advocacy Office Located?

We are located in the Department of Taxation at 830 Punchbowl Street, Rm. 221 (Keelikolani Bldg.), Honolulu, Hawaii. Our telephone number is (808) 587-1791; and our fax number is (808) 587-1560.

Some Situations Not Meeting the Criteria For This Office:

- Not trying to use administrative or formal appeal procedures;

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The Direct Line ☎

By Director Ray K. Kamikawa



This is the time when we assess the good and bad that emerged from the legislative session. Many good tax policy measures passed, e.g., exported services exemption, pyramiding relief, and hi-tech tax incentives. Bills designed to ease the administration of taxes made it through, such as the calculation of nonresident taxes, private collection agency procedures, conformity to the federal long-term care itemized deduction, and the conveyance tax exemption for mergers and consolidations. Unfortunately, the Governor's desire to see further relief from income and corporate taxes did not find favor with the Legislature. The Legislature this year put together a good website (located at <http://www.capitol.hawaii.gov/>) where you can find the actual text of any measure considered or passed by the Legislature.

Our annual income tax conformity bill tracked the provisions of last year's federal legislation which were mostly technical amendments to existing income tax provisions. The federal effective dates to these amendments were also adopted. Besides these technical amendments, we confirmed in our conformity bill that federal AGI is to be used in calculations for the Roth IRA and Educational IRA. Two procedural items--the innocent spouse relief and the suspension of the statute of limitations for disability--were also adopted for Hawaii income tax purposes.

We did not propose conformity to the new confidentiality privilege for non-attorneys. Unlike the federal laws, this would have involved amendments to state laws over which we do not have jurisdiction, and we did not want to jeopardize our annual conformity bill with a potential dispute between agencies. We polled other states and found that no state has recommended adoption of this privilege for various reasons--no real interest by non-attorneys, opposition by local bar associations, and agency jurisdiction issues. There is also the criticism that the new federal privilege has not been effective as applied to non-attorneys. Nevertheless, if local practitioners show enough interest, perhaps we can work together in devising legislation that would conform to the federal privilege and address some of these local concerns. Such was the case with the local bar association in working on S.B. No. 1421 (in the attached summary) that provided for the allowance of probation as an option for sentencing for criminal tax offenses. ■

Problem Solving Day

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- Appeal of an audit assessment;
- Cases on a first inquiry basis;
- Requests for technical advice or disclosure of tax information; or
- Requests for certified copies of tax returns and tax return information.

How to Contact Us

If you need to call or write to us, please have the following information available:

- Your name, social security number, employer/Federal identification number.
- Your address and ZIP code.
- Your daytime telephone number and the best hours to call you.
- The date, the office involved, and the nature of the problem.
- Your previous attempts to resolve the problem, and the offices and person(s) contacted.
- The tax period and type of document involved. (e.g., tax return, assessment, etc.)

You can reach this office by telephoning (808) 587-1791 to explain your situation. If we are unavailable at the time you call, you will automatically be connected to voice mail. Please leave a brief message with the date, time, your name, phone number, and the best time to return your call during the day.

If you decide to write, please send all correspondence to the Taxpayer Advocacy Office, Department of Taxation, P. O. Box 259, Honolulu, HI, 96809-0259, or fax it to us at (808) 587-1560. Don't forget to date and sign the letter. ■



The Hawaii Tax News is a publication of the State of Hawaii, Department of Taxation.

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 fax machine
 Consumer Dial: 808-587-1234 (message 7700)

New Field Audit Branch Chief

On March 1, 1999, Wayne Griffin was promoted to the position of Field Audit Branch Chief, Oahu District Office. He has approximately 25 years of accounting experience, which includes 12 years as a controller, 7 years as president of a management consulting firm, and 6 years as a financial and tax auditor. Wayne obtained a graduate degree from Colorado State University where he majored in accounting with an emphasis in taxation. ■

Workshop on New Tax Legislation

A tax workshop on State tax legislation enacted during the 1999 legislative session will be held on July 21, 1999, at the State Capitol Auditorium, from 8:30 a.m. to 11:30 a.m. CPE credit for CPAs attending the workshop will be available. A fee will be charged. To have a registration form sent to you, call your nearest district tax office, or call the Department's Forms Request Line on Oahu at 587-7572, or toll-free from the neighbor islands at 1-800-222-7572, and leave a message on the Forms by Mail voice mail system. ■

Missing a State Tax Refund Check?

A replacement check can be furnished if the original check was never received, or the check was received but was either lost, stolen, or destroyed. For replacement of an income tax refund check, complete Form L-80, Tracer Request Form. To replace a refund check for general excise/use, withholding, transient accommodations, rental motor vehicle and tour vehicle tax, use Form G-80, Tracer Request Form.

The tracer request form should be mailed to the district tax office with which the tax return was filed. Upon receipt, a stop payment will be issued on the original refund check, if applicable.

If the check has been cashed, a copy of the check and a letter asking you to verify the endorsement will be sent to you. There are procedures to follow up on forgery claims.

If the check has not been cashed, a replacement check

will be sent to you. If the original check is received or found after submitting the tracer request form, **DO NOT CASH THE CHECK**. This check must be returned to the district tax office to which you submitted the tracer request form. This entire process takes about 4 to 6 weeks. ■

Legislative Highlights

The following is a draft preliminary digest of bills passed by the 1999 Legislature. It includes only those measures which affect Hawaii's tax laws and is provided for your information. It is issued solely as a guide and is not intended to be either authoritative or complete.

All bills are subject to the Governor's approval. The Governor has until June 25, 1999, to veto any bill. Copies of the Senate and House bills passed by the Legislature may be obtained from the Senate and House printshops, or from the following website address: <http://www.capitol.hawaii.gov/>

S.B. NO. 44, SD1, HD2 RELATING TO TAXATION.

- Exempts exported services from the GET and use tax (included bundled contracting or services).
 - Imposes the use tax on imported services.
- Effective: Upon approval; GET exemption applies to gross receipts received on or after January 1, 2000; use tax applies to taxes accruing on or after January 1, 2000.

S.B. NO. 638, SD1, HD2 RELATING TO TAXATION.

- Expands the GET 1/2% rate to apply in the context of mixed goods and services transactions, excluding "overhead" purchases (consumption by business).
- Phases in over six years by lowering rate by 0.5% each year. Allows department to effectuate rate change by allocation, deduction, or other method.
- Grandfathers existing 1/2% rate transactions.
- Allows the reduced tax rate for sales of services to licensed contractors and persons furnishing transient accommodations.
- Clarifies that "service business or calling" includes professional services.
- Provides corresponding use tax treatment.

Effective: Upon approval; GET provisions apply to gross receipts received on or after January 1, 2000; use tax provision applies to taxes accruing on or after January 1, 2000.

S.B. NO. 646, SD2, HD3, CD1 RELATING TO GOVERNMENT.

- Amends HRS §92-21 to require state agencies to

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Legislative Highlights

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charge not less than 5¢ per page for copies of government documents, plus other related costs.

- As it relates to tax, provides for individual development accounts (IDAs) and requires the Department of Taxation to submit language to the Legislature establishing a tax credit for IDAs no later than the convening of the 2000 Regular Session.
- Creates an exemption for contributions to an IDA (including interest earned) and a "tax credit" of an unspecified type equal to 50% of a contribution to an IDA.

Effective: Copying fees: July 1, 1999; IDA tax credit and exemption: upon approval.

S.B. NO. 788, SD2, HD2, CD1 RELATING TO TAXATION.

- Provides that the excise tax on cigarettes shall be imposed and collected through the use of stamps purchased by licensees, and affixed to cigarette packages.
- Includes provisions for civil and criminal penalties, and for forfeitures of cigarettes, to be enforced by the police departments, liquor commissions, the attorney general, and prosecuting attorneys.
- Restores military sales exemption (See Act 10, SLH 1999 - H.B. No. 1207).
- Requires the Director of Taxation to submit findings and recommendations to the Legislature for the 2005 Regular Session on effectiveness of Act.
- Transfers funds to county liquor commissions.
- Appropriates \$35,000 for the Department of Taxation start-up costs.

Effective: Taxpayers can apply to the Department for stamps: December 15, 1999; taxpayers must affix stamps: January 1, 2000; packs without stamps cannot be sold: April 1, 2000; packs without stamps cannot be placed/stored in vending machines: April 1, 2000.

The Act is repealed on June 30, 2005; HRS §§245-1, 245-3, 245-5, 245-6, 245-8, 245-15, and 281-17 are re-enacted to read as they did before the approval of this Act.

S.B. NO. 1016, SD1, HD1 RELATING TO ADMINISTRATIVE RULES.

- Establishes a maximum fee of 10¢ per page for proposed and final administrative rules by a state agency (other than the Lieutenant Governor).
- Allows separate charges for searching, identifying, and segregating rules to be copied.
- Requires posting of full text of proposed rules on the Lieutenant Governor's website effective January 1, 2000.

Effective: Upon approval.

S.B. NO. 1144, SD1, HD2, CD1 RELATING TO FINANCIAL INSTITUTIONS.

Dedicates \$2,500,000 from franchise tax revenues to the compliance resolution fund by June 30 of each fiscal year.

Effective: Upon approval.

S.B. NO. 1177, SD1, HD1 RELATING TO THE GENERAL EXCISE TAX.

- Reverses a Departmental rule adopted in 1993 which subjects sales of containers and bulk condiments to eating and drinking retailers to the 1/2% GET rate, but subjects sales of: (1) prepackaged condiments and (2) containers to an eating or drinking retailer to the 4% GET rate.
- Cures disparate treatment by allowing 1/2% GET rate for sales of prepackaged condiments to eating and drinking retailers.
- Makes a technical correction to clarify that 1/2% intermediary rate is applicable to professional services.

Effective: Upon approval; applies to gross receipts received after June 30, 1999.

S.B. NO. 1178, SD2, HD2 RELATING TO THE GENERAL EXCISE TAXATION OF RELATED ENTITIES.

- Tightens up HRS §237-23.5 by amending the definition of "related entities" to specify that the requirements of IRC §§1504 and 1563 apply. Guards against corporations who try to claim related party status by using valuation methods (which include control premiums and minority discounts).
- Makes the same changes to HRS §237-24.7, a similar provision for related entities engaged in telecommunication services.

Effective: July 1, 1999; applies to gross receipts received after June 30, 1999.

S.B. NO. 1180, SD1, HD1 RELATING TO THE INCOME TAXATION OF NONRESIDENTS.

Repeals HRS §235-4.3 (Act 281, SLH 1997) because of overwhelming compliance burdens for taxpayers and disincentive for economic activity in Hawaii. Amends HRS §235-5 to apply the ratio of Hawaii source income over total income to a nonresident taxpayer's personal exemption and standard deduction. The change in treatment also applies to part-year residents who were also affected by Act 281, SLH 1997.

Effective: Upon approval; applies to taxable years beginning after December 31, 1998.

S.B. NO. 1229, SD1, HD3, CD1 RELATING TO HOUSING.

Extends for two years the allocation of 12.5% of conveyance tax revenues that are paid into the rental housing trust fund. Appropriates \$600,000 from the

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general fund for homeless assistance in fiscal years 1999-2000 and 2000-2001.

Effective: June 29, 1999.

S.B. NO. 1325, SD1, HD2 RELATING TO TAXATION.

- Establishes a qualified improvement tax credit for both a "qualified resort facility" and a "qualified general facility." Credit amounts for both types of facilities are an unspecified percentage of capitalized costs of construction and equipment of a permanent nature. Credit may be carried forward for 10 years and may be applied against GET, income, public service company, or transient accommodations taxes.
- Provides that any impact fees that qualify for the tax credit will be collected over a seven-year period, interest-free, commencing when the project is completed. "Impact fees" are defined as those fees imposed upon a project charged to the developer by the state or a county to fund all or a portion of the public facility capital improvement costs required by the development, or to recoup the cost of existing public facility capital improvements made in anticipation of the needs of the development.

Effective: Upon approval; applies to taxable years 1999 through 2005.

S.B. NO. 1421, SD1, HD2 RELATING TO TAXATION.

Allows probation as an option for sentencing for tax offenses.

Effective: Upon approval.

S.B. NO. 1583, SD2, HD2, CD1 RELATING TO TECHNOLOGY.

- Prohibits the imposition of discriminatory taxes on Internet commerce (defines electronic commerce, Internet, and Internet access).

Effective: Upon approval; applies to taxable years beginning after December 31, 1999, and before January 1, 2006.

- Income exemption for stock options received by employees from a high technology business.

Effective: Upon approval; applies to taxable years beginning after December 31, 1999.

- Income exclusion for royalties and other income derived from patents and copyrights owned by an individual or a qualified hi-tech business and developed and arising out of a hi-tech business.

Effective: Upon approval; applies to taxable years beginning after December 31, 1999.

- Creates an income tax credit for an investment in a

high technology business equal to 10% of the investment, up to a maximum of \$500,000. Credit may be carried forward until exhausted. Financial institutions taxed under HRS chapter 241 and insurance companies taxed under HRS chapter 431:7 may also claim the credit.

Effective: Upon approval; applies to taxable years beginning after December 31, 1998, and before January 1, 2006, for investments made after the approval date of the bill.

- Makes operative for Hawaii tax purposes the federal income tax credit for increasing research activities (IRC §§41 and 280C) with some modifications.

Effective: Upon approval; applies to taxable years beginning after December 31, 1999, and before January 1, 2006.

H.B. NO. 170, HD2, SD1, CD1 RELATING TO LONG-TERM CARE TAX BENEFITS.

Conforms Hawaii income tax law to the federal itemized deduction for long-term care premiums and expenses (IRC §213).

Effective: Upon approval; applies to taxable years beginning after December 31, 1998.

H.B. NO. 307, HD2, SD1, CD1 RELATING TO HIGHER EDUCATION.

Creates a College Savings Program in conformance with the requirements of IRC §529. Director of Finance or other designee files report with the Department of Taxation regarding information on accounts and beneficiaries.

Effective: Upon approval; applies to taxable years beginning after December 31, 1999.

H.B. NO. 765, HD1, SD2, CD1 RELATING TO MOTOR VEHICLE RENTAL INDUSTRY.

- Increases rental motor vehicle surcharge tax from \$2 to \$3; exempts rentals of a vehicle to replace another vehicle being repaired when the taxpayer retains the repair order for the vehicle for verification purposes.
- Allows U-drive operators to unbundle their airport concession rents and service permit fees.
- Designates \$11,000,000 from state highway fund moneys to be deposited into the state general fund for fiscal years 1999-2000 and 2000-2001.

Effective: Upon approval; tax increase is effective for the period beginning September 1, 1999, to August 31, 2007.

H.B. NO. 854, SD1, CD1 RELATING TO EDUCATION.

Amends HRS §237-31 to change the amount of general excise tax revenues to be deposited into the state educational facilities improvement special fund from

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\$90,000,000 to \$45,000,000.

Effective: Upon approval.

ACT 24 - H.B. NO. 1026, HD1 RELATING TO INSURANCE PREMIUM TAXES.

Expands qualification for low-income housing credit to include insurance companies; the credit is now available to income taxpayers and financial institutions.

Effective: Upon approval; applies to taxable years beginning after December 31, 1998.

H.B. NO. 1197, HD2, SD1 RELATING TO CONFORMITY OF THE HAWAII INCOME TAX LAW TO THE INTERNAL REVENUE CODE.

Includes provisions from the IRS Restructuring and Reform Act of 1998; Surface Transportation Revenue Act of 1998; and Tax and Trade Relief Extension Act of 1998.

- Adopts the technical amendments relating to the \$250,000 gain exclusion (\$500,000 if married filing jointly) on the sale of a principal residence owned or used for less than two years and the separate computation of the gain exclusion for married individuals filing jointly who do not qualify for the \$500,000 exclusion. IRC §121.
- Adopts the accelerated phase-in of the schedule for deduction of health care insurance expenses paid by the self-employed (100% deduction is allowed in 2003). IRC §162.
- Adopts the technical amendments relating to the Roth individual retirement account (Roth IRA) for qualified distributions, holding periods, erroneous contributions, roll-overs, and the election to report the total 1998 roll-over into a Roth IRA in 1998 instead of equally over a four-year period. IRC §408A. For purposes of determining the aggregate allowable contribution to a Roth IRA or qualified rollover contribution to a Roth IRA from an individual retirement plan other than a Roth IRA, "adjusted gross income" as used in IRC §408A means federal adjusted gross income. HRS §235-2.4(g).
- Adopts the technical amendments relating to the education individual retirement account (IRA) for distributions, holding periods, account requirements, and roll-overs. IRC §530. For purposes of determining the maximum annual contribution amount allowable for an education IRA, "modified adjusted gross income" means federal modified adjusted gross income. HRS §235-2.4(n).
- Adopts relief from joint and several liability on a joint return by: (1) relaxing the requirements for obtaining "innocent spouse" relief (but requiring the taxpayer to make the election in writing in order to obtain relief);

(2) allowing an individual who has filed a joint return, but who is no longer married to, legally separated from, or no longer lives with the spouse with whom the return was filed, to elect separate liability for any deficiency with respect to the joint return; and (3) authorizing the department to grant equitable relief from liability for unpaid taxes or deficiency in cases where the options in (1) and (2) do not apply. IRC §6015. HRS §235-93.5, relating to innocent spouse relieved of liability in certain cases, is repealed because of the adoption of IRC §6015.

- Adopts IRC §6511, which suspends the statute of limitation period when a taxpayer is unable to manage financial affairs due to disability, with due regard to HRS §235-111, relating to the limitation period for assessment, levy, collection, or credit.
 - Does not conform to the 1998 federal amendment repealing the "more than 18 months" holding period requirement for long-term capital gain treatment. Hawaii did not adopt the "more than 18 months" holding period requirement from the Taxpayer Relief Act of 1997, so no repeal was necessary. IRC §1(h)(5).
- Effective: Upon approval; applies to taxable years beginning after December 31, 1998.

H.B. NO. 1198, HD1, SD1, CD1 RELATING TO THE INTEGRATED TAX INFORMATION MANAGEMENT SYSTEMS ACQUISITION BY THE DEPARTMENT OF TAXATION.

- Creates the Integrated Tax Information Management Systems Special Fund to pay for the Integrated Tax Information Management System. Special fund sunsets on July 1, 2004.
- Appropriates \$17,750,828 for FY 1999-2000 and \$7,480,428 for FY 2000-2001.

Effective: July 1, 1999.

H.B. NO. 1203, HD1, SD1 RELATING TO THE COLLECTION OF TAXES.

Allows collection agencies under a contract with the Department to collect their fees directly from taxpayers. Effective: Upon approval.

ACT 10 - H.B. NO. 1207 RELATING TO THE CIGARETTE TAX.

Amends HRS §245-3 to restore the exemption from cigarette and tobacco taxes for sales to the military.

Effective: June 30, 1993.

H.B. NO. 1649, HD2, SD1, CD1 RELATING TO THE CONVEYANCE TAX.

Exempts from the conveyance tax, transfers of real property or any interest therein, in connection with a merger or consolidation, or in connection with the dissolution of a limited partnership to a corporate general partner.

Effective: Upon approval. ■

Recently Issued Tax Publications

The following is a list of the publications issued by the Department of Taxation from November 1998 through June 1999. Copies of these publications may be downloaded from the Department's website. With the exception of the Hawaii Administrative Rules, copies of these publications also may be obtained from any district tax office or by mail through the Department's Forms Request Line. Addresses and telephone numbers are provided on the last page of this newsletter.

Copies of Administrative Rules are available for a fee (50¢ per copied page). To request a copy, mail your request to the Department of Taxation, Attention: Rules Office, P. O. Box 259, Honolulu, Hawaii, 96809-0259. Include your name, address, and telephone number; identify the rule (e.g., "intermediary services"); and provide a check payable to the "Director of Finance" in the amount specified below. The rules listed below also are available at the Department's website. To access a specific rule, go to the Announcement regarding the adoption of those rules and click on the link to the applicable rule (e.g., to access the intermediary services rules, go to Announcement No. 99-2 and click on the link to those rules).

Section 18-237-13(6)-01 to 18-237-13(6)-09, HAR - Relating to the application of the general excise tax to intermediary services. (\$14.00)

Section 18-235-61-04, HAR - Relating to the exemption from withholding of income taxes on wages of qualifying nonresident employees. (\$2.50)

TIR No. 98-9 - Provides guidance regarding the application of the general excise tax to the gross income received from the sale of a service and contracting.

TIR No. 99-1 - Provides information on the filing of tax returns required by taxpayers who pay taxes by electronic funds transfer.

Announcement No. 98-24 - Informs taxpayers that Form G-37, General Excise Tax Exemption for Certified or Approved Housing Projects, was revised.

Announcement No. 99-1 - Provides a list of candidates for political office who have registered with the campaign spending commission.

Announcement No. 99-2 - Announces the adoption of Hawaii Administrative Rules, relating to the intermediary services rate.

Announcement No. 99-3 - A Listing of New and Obsolete/Retired Tax Forms, Instructions, and Schedules; Errors Found on Hawaii Tax Forms As of February 19, 1999.

Announcement No. 99-4 - Announces the adoption of Hawaii Administrative Rules, relating to the exemption from withholding of income taxes on wages

of qualifying nonresident employees.

Announcement No. 99-5 - Confirms that a multistate taxpayer must include dividends, interest, royalties, and gains received from a foreign corporation in its business income that is subject to apportionment.

Announcement No. 99-6 - A listing of the Tax Information Releases in effect and obsolete as of March 17, 1999, and a listing of Hawaii Administrative Rules related to taxation.

Announcement No. 99-7 - Announces the extension of time for filing 1998 Hawaii tax returns and the payment of taxes for taxpayers serving in the Kosovo conflict.

Announcement No. 99-8 - Provides information on Act 10, SLH 1999, which restores the cigarette and tobacco tax exemption for sales of cigarettes and tobacco products to the United States or any of its instrumentalities (e.g., military installations).

Announcement No. 99-9 - Provides information on Act 24, SLH 1999, which allows insurance companies to offset their insurance premium taxes with the low-income housing tax credit.

Announcement No. 99-10 - Requesting suggestions for improving the tax forms.

Announcement No. 99-11 - Informs taxpayers of the Hawaii Income Tax Conformity to the Internal Revenue Code.

Announcement No. 99-12 - Announces the issuance of Written Opinion No. 99-001, regarding the application of the general excise tax income-splitting provisions in section 237-18(f), HRS, and withholding requirements in section 237-44(d), HRS, to destination management companies.

Tax Facts No. 98-3 - Provides information relating to tax issues for Hawaii nonprofit organizations.

Tax Facts No. 98-4 - Provides information regarding the transient accommodations tax on time share occupancy from the time share interval owner's perspective. ■

Pending Tax Publications

Since this issue of the Hawaii Tax News was devoted to summarizing the tax bills passed by the 1999 Legislature, the listing of pending tax publications could not be included due to space limitations. The listing will be included in the fall issue of the Hawaii Tax News. ■

DISTRICT TAX OFFICES

Forms and Information may be obtained from any district tax office, Mondays through Fridays, except State holidays, from 7:45 A.M. to 4:30 P.M.

WEB INFORMATION AND FORMS

<http://www.state.hi.us/tax/tax.html>

OAHU DISTRICT OFFICE

Princess Ruth Keelikolani Building
830 Punchbowl Street
Honolulu, HI 96813-5094
FAX: 808-587-1488
TELEPHONE:

For Tax Information:

808-587-6515 (January - April 20)
808-587-4242
1-800-222-3229 (Toll-Free)
808-587-1418 (TDD - For the hearing impaired)
1-800-887-8974 (TDD Toll-Free - For the hearing impaired)
Tax Forms and CD-ROM (Nominal Cost) by Mail:
808-587-7572
1-800-222-7572 (Toll-Free)
Tax Forms by Fax:
On Oahu: 587-7572
All Others: 808-678-0522 from your fax machine

MAUI DISTRICT OFFICE

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HAWAII DISTRICT OFFICE

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