



DEPARTMENT OF TAXATION

DAVID Y. IGE
GOVERNOR

LINDA CHU TAKAYAMA
DIRECTOR

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TAX SERVICES TO BE LIMITED ON FRIDAY, NOVEMBER 9 *Tax Department Prepares to Complete Phase 4 of Tax System Modernization Project*

HONOLULU – The State Department of Taxation (Department) will go live with the fourth of five phases of work as part of the Tax System Modernization (TSM) project on Tuesday, November 13. This phase of work is for Individual Income, Partnership, Fiduciary, and Estate/Transfer taxes.

The Department's old and new systems will be unavailable from Thursday evening (November 8) through Sunday (November 11) to move a large amount of data, including more than 2 million taxpayer records, 40,000 audits, and 5 million returns, from the old system to the new system.

- **Public walk-up services at all tax offices and telephone assistance will be limited on Friday, November 9**, because staff will not have system access. Tax clearances and tax account information will be unavailable during this time. However, in-person payments will be accepted and staff may be able to assist taxpayers who do not require access to tax account information or the system. Full walk-up and telephone assistance will resume on Tuesday, November 13.
- **Hawaii Tax Online (HTO) services will be unavailable from 8 PM on Thursday, November 8 until 9 PM on Sunday, November 11.**

"We apologize for the inconvenience and ask that taxpayers plan ahead. Hopefully, the enhanced electronic capabilities will make it easier to do business with the Department in the future," said Linda Chu Takayama, Director of Taxation. "Business taxpayers went through this conversion over the past two years. Since then, more than 150,000 new registrants have signed up to use Hawaii Tax Online and more than 1.4 million transactions (returns and payments) have been processed on HTO so far this calendar year."

Once the rollover is complete, several new features will be added:

- Form N-11 (Hawaii Resident Individual Income Tax) will be available for **free** online filing on HTO. The online form will enable taxpayers to file electronically to expedite processing. Previously, e-filing was only available through commercial preparers for a fee.

- More payments, including Individual Income tax, will be accepted online. Payments may be made online, even if the return is filed on paper. Please note that certain electronic funds transfer payments are free and credit card payments are subject to a fee.
- Taxpayers who owe back taxes will be sent consolidated statements of their tax debt. Their back taxes may also be sent to the IRS for possible further action. Taxpayers are urged to work with the Department early to avoid this consequence.
- Amounts owed to Child Support Enforcement Agency, IRS, and to certain other agencies may be deducted from Individual Income tax refunds.
- Identity theft reporting will be available as an online form. Taxpayers who request this additional protection will be notified when a return is filed using their Social Security Number. However, because the taxpayer will need to validate that they filed the return before it is processed, there may be a slight delay in issuing any refund.

For more information about the [Tax System Modernization Project](#), please visit the Department's website at <http://tax.hawaii.gov>.

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Media Contact:

Deborah Kwan
(808) 587-1540
tax.pio@hawaii.gov
<http://tax.hawaii.gov>