

State Tax Department's new electronic filing system lets the taxpayer file forms online around the clock

Filing state tax forms has never been easier or more convenient! Through the State's Internet portal, you can now efile (electronically file) 11 different tax forms on-line 24 hours a day, seven days a week!

The first phase of our electronic filing initiative (ELF) allows you to e-file your estimated income tax vouchers, extensions, periodic withholding tax returns, and tax clearance applications. Periodic general excise tax and transient accommodations tax returns also should be available for e-filing before year-end. A nominal fee of \$2.50 is charged for each transaction involving a payment, but no fee is charged if a payment is not made (e.g., when submitting an application for tax clearance).

To begin, go to www.eHawaiiGov.org, select "File Your Taxes Online with E-Filing," and read the requirements. Click "I Have Read the Requirements" to go to the "Welcome to EFile!" page, and follow these five easy steps.

Step 1 – If you are using this service for the first time, register by selecting "Individual/Sole Proprietor" or "Business Entity," as applicable, and enter the information requested, a password of your choice, and your e-mail address. If you have already registered, select "Sign In" and enter your user ID (your social security number or federal employer identification number) and password.

Step 2 – Select and complete the form you want to e-file. Some of the information is pre-filled with your registration information. To correct pre-filled information, click "Update Profile" and make the necessary changes.

Step 3 – Verify all information and click "Submit." A list of any errors detected (e.g., an alphabet in a field that should contain only numbers) may appear. If so, make the corrections and click "Submit."

Step 4 – If a payment is indicated, the "Electronic Check Payment Information" page will appear for you to authorize payment of the amount due plus the \$2.50 transaction fee. Enter the bank, account, and other information needed to properly debit your checking account. Review the information and click "Authorize Payment."

Payments are made through an electronic check process called "VirtualPay." At the present time, the maximum amount payable per transaction is \$25,000 including the \$2.50 transaction fee.

For your security, the information is encrypted when sent to the VirtualPay server, and only the amount paid, not your checking account information, is saved as part of your user record.

Neither the Department of Taxation nor *eHawaiiGov* will have access to your checking account information.

Step 5 – View and print the receipt that appears after the payment has been authorized. Also save and/or print the confirmation that is e-mailed to you. The receipt and e-mailed confirmation contain information that you will need if a question or problem later arises.

ELF is not only an easy and convenient way to *file* your tax forms, but it also is an easy and convenient way to *access* your filing history. Simply sign in and click "History" on the form selection page to see a list of what you've e-filed. Click "View Filing" to view and/or print the completed e-filed form. For more information, click "F.A.Q." at the bottom of the registration/ sign in page, e-mail our electronic filing unit at efile@tax.state.hi.us, or call us at 587-4242 (toll-free at 1-800-222-3229).

KEEPING UP WITH NEW TAX LAWS can be a chore, but we make things easier for you by issuing announcements summarizing new measures as they are enacted. You can obtain these announcements at any district tax office, by calling our 24-hour request line at 587-7572 (toll-free at 1-800-222-7572), or on our website at www.state.hi.us/tax.

The following are three of the tax measures enacted thus far:

Act 36 allows licensed audiologists to certify the hearing impairment of an individual. Individuals who are certified as being blind, deaf, or totally disabled, or corporations all of whose shareholders are certified as being blind, deaf, or totally disabled, may qualify for certain income tax and general excise tax benefits. (See Announcement No. 2001-4.) Act 36 applies to taxable years beginning after December 31, 2001.

Act 44 repeals the 2% penalty imposed on taxpayers who voluntarily participate in the electronic funds transfer (EFT) program but fail to actually remit their taxes using an approved EFT method (e.g., pay by check instead of by EFT) by the payment due date. (See Announcement No. 2001-5.) Act 44 became effective April 26, 2001.

Act 45 extends the confidentiality privileges currently available under Hawaii's income tax law for communications between a taxpayer and any federally authorized tax practitioner (including attorneys, certified public accountants, enrolled agents, and enrolled actuaries) to all State taxes administered by the Department of Taxation under title 14, Hawaii Revised Statutes. (See Announcement No. 2001-6.) Act 45 is applicable to taxable years beginning after December 31, 2000.