

DEPARTMENT OF TAXATION

Amendments to Chapter 18-235,
Hawaii Administrative Rules

Effective: _____

SUMMARY

1. §18-235-3-01 is added.

§18-235-3-01 Distribution of credit for partnerships, S corporations, estates, and trusts.

Whenever chapter 235, HRS, does not specify how a credit should be distributed or provides that distribution and share of a credit shall be determined by rule, distribution shall be made according to the ratio upon which the partners, S corporation shareholders, or beneficiaries of an estate or trust divide the general profits or losses of the entity; provided that a distribution pursuant to section 704 of the Internal Revenue Code may be made in the case of partnerships. [Eff _____] (Auth: HRS §§231-3(9), 235-55.91, 235-110.8, 235-118) (Imp: HRS §§235-2.45, 235-16.5, 235-17, 235-55.91, 235-110.2, 235-110.7, 235-110.8, 235-110.94)