

DEPARTMENT OF TAXATION

Amendments to Chapter 18-235,
Hawaii Administrative Rules

Effective: September 18, 2020

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)

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Chapter 18-235, Hawaii Administrative Rules, was adopted on _____, following public hearing held on October 14, 2019 after public notice was given in the Honolulu Star Advertiser, the Garden Isle, the Maui News, West Hawaii Today, and the Hawaii Tribune-Herald on September 13, 2019.

These amendments to chapter 18-235 shall take effect ten days after filing with the Office of the Lieutenant Governor.

RONA M. SUZUKI
Director of Taxation

APPROVED:

DAVID Y. IGE
Governor
State of Hawaii

Dated: _____

APPROVED AS TO FORM:

Deputy Attorney General