



DEPARTMENT OF TAXATION

STATE OF HAWAII

September 3, 1980

TAX INFORMATION RELEASE No. 80-6

RE: Withholding on Basis of Annualized Wages

This tax information release is issued in response to numerous requests as to whether or not the Department of Taxation will permit an employer to determine the amount of tax to be deducted and withheld on the basis of annualized wages.

The Department of Taxation has no objection to employers using the method of annualizing wages for withholding purposes provided that the amount of tax withheld shall be at a rate which, for the taxable year, will yield the tax imposed by Section 235-61, Hawaii Revised Statutes, and, further, that the annualized method complies with the provisions of Section 235-61, Hawaii Revised Statutes.

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