



DEPARTMENT OF TAXATION

News Release

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**TAX DEPARTMENT COMPUTER SYSTEM IMPLEMENTATION
COMPLETED AHEAD OF SCHEDULE**

**New system consolidates tax account information
for more efficient service**

HONOLULU—The Department of Taxation has successfully completed the implementation of the business tax component of its new Integrated Tax Information Management System (ITIMS). When it started the transition on October 1, the Department had anticipated the computer system would be down for up to two weeks. However, better than expected performance enabled the Department to bring the system online last Wednesday, well ahead of schedule.

"So far, a number of the key system functions have already been tested and cleared for use by our employees," said State Tax Director Kurt Kawafuchi. "Priority was given to licensing and other customer service functions to minimize the inconvenience to the public."

The Department is gradually introducing payment and tax return information into ITIMS and carefully checking and tracking those documents to ensure the system is working properly. A temporary backlog of tax returns should be cleared by mid-November.

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The implementation of the business tax component of ITIMS marks the final phase of the Department's five-year program to replace its separate income tax and business tax computer systems with a single system that links all tax account information by the taxpayer's social security number (SSN) or federal employer identification number (FEIN), as applicable. Having all tax account information easily accessible on one system allows the Department to provide better and more efficient services to Hawaii taxpayers.

"Department employees went through a lot of training beforehand and are doing a great job with the new system," said Kawafuchi. "Hawaii taxpayers have been responsive and understanding during this transitional period, and we appreciate their patience."

In conjunction with the implementation of the business tax component, the Department has released a revised Basic Business Application, Form BB-1. The revised application form, which is used to register for general excise and other business taxes, is available at any district tax office, by calling the Department's 24-hour request line at 587-7572 (toll-free at 1-800-222-7572), and on the Department's website at www.state.hi.us/tax.

Hawaii businesses are reminded that the eight-digit license numbers issued sequentially by the old computer system are being replaced with Hawaii Tax Identification Numbers issued by ITIMS. The new numbers begin with the letter "W" and are followed by eight randomly assigned numbers and an additional two-digit sequence code (e.g., W12345678-01). ITIMS will, however, process forms and cross-list tax accounts by both the old and the new numbers. Department of Taxation [Announcement No. 2004-16](#) regarding this change is attached.

For additional information or assistance, taxpayers may call the Department's Taxpayer Services Branch during business hours at 587-4242 (toll-free at 1-800-222-3229), or e-mail them at Taxpayer.Services@hawaii.gov.

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