



DEPARTMENT OF TAXATION

News Release

LINDA LINGLE
GOVERNOR

KURT KAWAFUCHI, DIRECTOR
Phone: (808) 587-1540
Fax: (808) 587-1560

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**STATE TAX DEPARTMENT TO ASSIST RESIDENTS AND
BUSINESSES AFFECTED BY STORMS**

Filing extensions, penalty waivers to be considered on case-by-case basis

HONOLULU – In light of recent rainstorms and flooding that caused substantial damage to homes, businesses and farms statewide, the State Department of Taxation announced steps it is taking to assist taxpayers who may have difficulty meeting their tax obligations as a result of the devastation.

The Tax Department will consider requests for extensions to file and pay taxes as well as for waivers of penalties and interest on taxes due for businesses and individuals directly affected by the rains and flooding on a case-by-case basis.

Hawaii employers whose withholding tax returns were due on March 15, 2006, and who, as a result of the rains and flooding could not meet the due dates, may file and pay the tax due as late as April 15, 2006 without being assessed penalties or interest.

Department of Taxation representatives will be on hand at Disaster Assistance & Recovery Centers to assist Kauai taxpayers. The centers will be open on Friday, March 24, 10:00 a.m. – 4:00 p.m. at the Kilauea Neighborhood Center, and on Saturday, March 25, 10:00 – 4:00 p.m. at the Kalaheo Neighborhood Center. Department representatives were at the Disaster Assistance Recovery Center last week in Windward O`ahu.

Visit the Department of Taxation's website at www.hawaii.gov/tax for additional information and details provided in Tax Announcements 2006-01 and 2006-02, which

include instructions on claiming casualty loss deductions, net operating losses, and the general excise tax exemption for insurance proceeds received because of a natural disaster. Residents and businesses may also call 587-4242 or toll free (800) 222-3229 during our expanded telephone customer service hours of 7:00 a.m. to 5:30 p.m., Monday to Friday (excluding State holidays), through April 28, 2006. Starting May 1, 2006, the customer service telephone hours will return to 7:45 a.m. to 4:30 p.m.

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For more information, contact:

Kurt Kawafuchi
Director, Department of Taxation
Phone: (808) 587-1540

Sandra Yahiro
Deputy Director, Department of Taxation
Phone: (808) 587-1520