

News Release

LINDA LINGLE

KURT KAWAFUCHI, DIRECTOR

Phone: (808) 587-1540 Fax: (808) 587-1560

For Immediate Release: January 23, 2007

INCOME TAX FILING SEASON INFORMATION

HONOLULU-The State Department of Taxation has completed the mail-out of the 2006 Hawai'i income tax form and instruction packages to individual Hawai'i taxpayers.

Resident taxpayers should have received the package for the same tax form they filed for the 2005 tax year unless they checked the box to request only a mailing label. Mailing labels were sent in a postcard-sized mailing during the first week of January 2007. Nonresident taxpayers will receive a nonresident form and instruction package only if one was requested on their 2005 tax return.

Important changes listed on the inside cover of the instruction booklets include the following:

- Adopts the federal provision relating to the reduction of the phase out of the limitation on itemized deductions.
- Adopts many of the federal provisions relating to the tax relief for taxpayers affected by Hurricanes Katrina, Rita, and Wilma, including (1) suspended limits for certain personal casualty losses and cash contributions, (2) increased charitable standard mileage rate for using your vehicle for volunteer work related to Hurricane Katrina, and (3) special rules for withdrawals, repayments, and loans from IRAs and other qualified retirement plans. Please note that since certain provisions are effective for tax year 2005, you may file a 2005 amended tax return.

INCOME TAX FILING SEASON INFORMATION

- Adopts the federal provisions relating to the termination of the deduction for clean-fuel vehicles and clean-fuel vehicles refueling property for property placed in service after December 31, 2005.
- Temporarily enhances the motion picture and film production income tax credit by increasing
 the credit amount and adding digital media as a qualified production cost for costs incurred on
 or after July 1, 2006, and before January 1, 2016.
- Provides a new income tax credit for flood victims for 10 percent of the amount expended for
 costs directly related to the damage directly caused by the heavy rain and flooding to the
 taxpayer's real or personal property on October 30, 2004 in Manoa, O`ahu; and from February
 20 through April 9, 2006 in all counties.
- Increases the renewable energy technologies income tax credit for certain solar thermal, wind powered, and photovoltaic energy systems installed after July 1, 2006, and eliminates the requirement that the tax credit be reduced by any similar new federal energy tax credit for taxable years beginning after December 31, 2005.

Taxpayers are urged to start gathering their tax records so that they have enough time to obtain all forms and documents needed to accurately file their State income tax return by the April 20, 2007, filing deadline.

The Department of Taxation provides a number of services to taxpayers needing tax forms, information, and assistance:

- www.hawaii.gov/tax -The department's website is a convenient way for taxpayers to obtain Hawai'i tax forms and other information. Forms for the 2006 tax year with writable fields that allow users to type in their entries before printing have already been posted, and a search feature helps taxpayers find specific information.
- **2006 Hawai'i Tax Information CD** -Available at a cost of \$10, this CD will contain the 2006 tax forms with writable fields, Tax Information Releases, Tax Announcements, Tax Facts, brochures, and more.

INCOME TAX FILING SEASON INFORMATION

- Forms by Fax/Mail Service Taxpayers may request state tax forms and publications 24 hours a day, 7 days a week. All forms and publications can be mailed to the requestors; selected forms can be faxed. On O'ahu, call 587-7572. From the neighbor islands, continental U.S., and Canada, call toll-free at 1-800-222-7572. (IMPORTANT: This telephone number is for form and publication requests only. Do NOT call this number for tax information or assistance.)
- Telephone Assistance New Extended Hours: Now through June 29, 2007, for individual assistance Mondays through Fridays (except State holidays) from 7:00 A.M. to 5:00 P.M., taxpayers on O`ahu may call the Taxpayer Services Branch at 587-4242, or if calling from the neighbor islands or other States, toll-free at 1-800-222-3229. Taxpayers who are hearing impaired should call 587-1418, or toll-free at 1-800-887-8974, for assistance. Generally, the best times to call are between 7:00 A.M. to 9:00 A.M., and 3:00 P.M. to 5:00 P.M. Requests for general information and assistance (not confidential tax return or account information) may also be e-mailed to Taxpayer.Services@hawaii.gov. On O'ahu, the most commonly requested forms and instruction packages are also available after hours on shelves located outside the Punchbowl Street entrance to the Princess Ruth Ke'elikolani Building.
- **District Tax Offices** Hawai'i tax forms, publications and assistance are available 7:45 A.M. to 4:30 P.M. during business hours at all district tax offices.

Free tax preparation services are available for those filing the Hawai'i resident short form, Form N-13, through April 20, 2007. This limited service is available at all district tax offices on a first-come, first-served basis, Mondays through Fridays (except State holidays), from 8:00 A.M. to 12:00 P.M.

DISTRICT TAX OFFICE LOCATIONS

O'AHU DISTRICT OFFICE
Princess Ruth Ke'elikolani Building
830 Punchbowl Street
Honolulu, HI 96813-5094

MAUI DISTRICT OFFICE
State Office Building
54 S. High Street, #208
Wailuku, HI 96793-2198

Page 4

INCOME TAX FILING SEASON INFORMATION

HAWAI'I DISTRICT OFFICE KAUA'I DISTRICT OFFICE

State Office Building State Office Building

75 Aupuni Street, #101 3060 `Eiwa Street, #105

Lihu'e, HI 96766-1889

###

For more information, contact:

Sandi Yahiro Deputy Director, Department of Taxation

Phone: (808) 587-1540

Hilo, HI 96720-4245