

STAND. COM. REP. NO. 1729

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 1173  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1173, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX LIENS,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify the State's laws regarding tax liens.

More specifically, the measure requires the Department of Taxation to:

- (1) State the assessment date on certificates of tax lien;  
and
- (2) Issue certificates of discharge when the tax liability upon which a lien is based has been satisfied or has become unenforceable by lapse of time.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii and one individual.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.



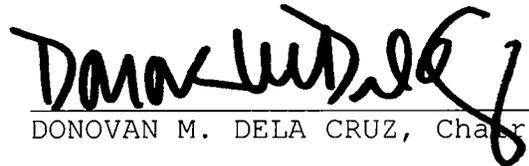
Your Committee finds that providing a clear and reliable procedure for extinguishing tax liens once the underlying liability is paid in full or becomes unenforceable will promote transparency, safeguard taxpayers from undue tax burdens, and streamline the State's tax administration.

Your Committee has amended this measure by:

- (1) Deleting the application of the measure to section 431:7-204.6, Hawaii Revised Statutes, as recommended by the Department of Taxation; and
- (2) Making technical, nonsubstantive edits for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1173, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1173, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

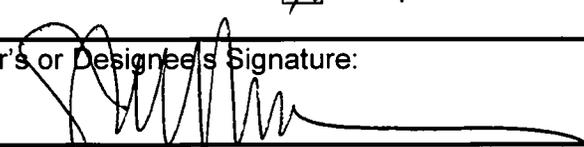
Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB1173 HDI</b>	Committee Referral: <b>WAM</b>	Date: <b>4/1/2025</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
<b>Members</b>	<b>Aye</b>	<b>Aye (WR)</b>	<b>Nay</b>	<b>Excused</b>
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn				X
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn				X
FEVELLA, Kurt	X			
<b>TOTAL</b>	11	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:            Original                      Yellow                      Pink                      Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes