

Honolulu, Hawaii

MAR 2 - 2006

RE: S.B. No. 2379

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2379 entitled:

"A BILL FOR AN ACT RELATING TO INCOME TAX WITHHOLDING,"

begs leave to report as follows:

The purpose of this measure is to require employers to file a quarterly informational return for state income tax withholding purposes.

The bill also clarifies the time schedule for remitting withheld taxes.

Your Committee finds that employers are required to file returns for the payment of state income taxes withheld from employees and to file returns for reconciliation purposes. Your Committee also finds that the Department of Taxation has reported that the lack of clarity in income tax withholding laws has resulted in enforcement problems with delinquent employers.

This bill clarifies the income tax withholding law to allow the Department of Taxation to enforce applicable provisions and also alleviates much of the administrative burden of filing returns by requiring all employers to submit quarterly returns, rather than on a more frequent basis.

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 S.B.



No. 2379 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

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

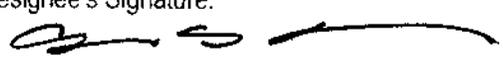


BRIAN T. TANIGUCHI, Chair



The Senate  
Twenty-Third Legislature  
State of Hawaii

Record of Votes of the  
Committee on Ways and Means  
(Bills and Resolutions)

Measure:* <b>SB 2379</b>	Committee Referral: <b>WAM</b>	Date: <b>2/14/6</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 to: <input checked="" type="checkbox"/> Pass, unamended (2312) <input type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313)				
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)	/			
TSUTSUI, Shan S. (VC)	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol				/
HOOSER, Gary L.	/			
INOUE, Lorraine R.	/			/
KANNO, Brian				/
KIM, Donna Mercado	/			
KOKUBUN, Russell S.	/			
NISHIHARA, Clarence K.	/			
SAKAMOTO, Norman				/
HEMMINGS, Fred	/			
SLOM, Sam	/			
TRIMBLE, Gordon	/			
TOTAL	<b>12</b>	<b>0</b>	<b>0</b>	<b>3</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <b>11</b> <input type="checkbox"/> Not Adopted <b>4</b>				
Chair's or Designee's Signature: 				
Distribution:             Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Do not list more than one measure per Record of Votes.