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# A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Chapter 231, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§231- Private rulings, written advice, settlement  
5 agreements, board of review cases and attorney general opinions  
6 and memoranda. (a) Unless otherwise provided in this section,  
7 and notwithstanding sections 235-116, 236D-15, 237-34, and 237D-  
8 13, or any other law restricting disclosure of tax returns or  
9 tax return information, private rulings, written advice,  
10 settlement agreements, board of review cases, and attorney  
11 general opinions and memoranda shall be open to public  
12 inspection and copying.

13           (b) The following information regarding disputes settled  
14 by the attorney general in tax cases shall be posted on the  
15 department's internet website for five calendar days and placed  
16 on file in the department's office:

17           (1) The name of the taxpayer and the amount and type of  
18 tax assessed, or proposed to be assessed;



1       (2) The amount of penalties and interest imposed or that  
2       could have been imposed by law with respect to the  
3       amount of tax assessed, as computed by the attorney  
4       general;

5       (3) The total amount of liability, as determined by the  
6       terms of the settlement, and the actual payments made  
7       thereon with the dates thereof; and

8       (4) The reasons for the settlement.

9       (c) The hearing dates and times of board of review cases  
10      shall be posted on the department's internet website to provide  
11      reasonable notice to interested parties.

12      (d) The department may adopt rules pursuant to chapter 91  
13      to administer this section, including:

14      (1) Defining "private rulings", "written advice", and  
15      "settlement agreements"; and

16      (2) Redacting certain confidential information as  
17      necessary."

18      SECTION 2. Section 231-19.5, Hawaii Revised Statutes, is  
19      amended by amending subsection (b) to read as follows:

20      "(b) For purposes of this section, the term "written  
21      opinion" means a written statement issued by the department to a  
22      taxpayer, or to the taxpayer's authorized representative on



1 behalf of the taxpayer, that interprets and applies any  
2 provision in title 14 administered by the department to a  
3 specific set of facts. A written opinion generally recites the  
4 relevant facts, sets forth the applicable provisions of law, and  
5 shows the application of the law to the facts. A written  
6 opinion shall not include[+]

7 ~~(1) Any] any written communication from the department to~~  
8 ~~any person in connection with the examination or audit~~  
9 ~~of any person's tax return, or in connection with~~  
10 ~~collection activities relating to any person's~~  
11 ~~delinquent tax liability[+]~~

12 ~~(2) An information letter, which is a written statement~~  
13 ~~issued by the department that provides general~~  
14 ~~information by calling attention to a well-established~~  
15 ~~interpretation or principle of tax law, whether or not~~  
16 ~~it applies to a specific set of facts. An information~~  
17 ~~letter may be issued when the nature of the request~~  
18 ~~from the taxpayer suggests that the taxpayer is~~  
19 ~~seeking general information, or where the department~~  
20 ~~believes that general information will assist the~~  
21 ~~taxpayer; or~~



1       ~~(3) A determination letter, which is a written statement~~  
2       ~~issued by the department that applies an~~  
3       ~~interpretation or principle of tax law clearly~~  
4       ~~established by statute, rule, written opinion, or~~  
5       ~~published court decision to a particular set of facts.~~  
6       ~~A determination letter includes the grant or denial of~~  
7       ~~consent, permission, exemption or registration, or a~~  
8       ~~routine correspondence in response to taxpayer~~  
9       ~~inquiries. A determination letter shall be designated~~  
10       ~~as such, and shall indicate the clearly established~~  
11       ~~interpretation or principle applied and its source]."~~

12       SECTION 3. This Act does not affect rights and duties that  
13       matured, penalties that were incurred, and proceedings that were  
14       begun, before its effective date.

15       SECTION 4. Statutory material to be repealed is bracketed  
16       and stricken. New statutory material is underscored.

17       SECTION 5. This Act shall take effect upon its approval.

18       INTRODUCED BY: Kirk Caldwell

*Calvin H. By*  
*Jeffrey*  
*STH*  
*Taylor*  
*Paul*  
*Book*  
*J. R. K...*  
*...*

**Report Title:**

Taxation; Disclosure of Information

**Description:**

Requires disclosure and internet posting of certain tax information to the public by the department of taxation.

