HOUSE RESOLUTION

REQUESTING THE DEPARTMENT OF TAXATION TO CONDUCT A STUDY ON THE FEASIBILITY OF ESTABLISHING COMPUTER GENERATED AUTO-CALCULATING TAX FORMS.

WHEREAS, the advent of computer generated tax filing has enhanced taxpayer compliance and eased the burden of filing taxes for many residents; and

WHEREAS, computer generated tax filing accelerates the tax collection process to maximize revenues for the State; and

WHEREAS, cutting-edge improvements to computer generated tax filing continue to improve and enhance the collection of taxes; and

WHEREAS, computer generated auto-calculating tax forms have been widely used by commercial computer tax preparation programs and apparently provide convenient mathematical calculations for tax filers to eliminate errors and produce accurate tax filings; and

WHEREAS, the Department of Taxation currently confines auto-calculating to tax penalty calculations for state tax purposes; and

WHEREAS, although expanding the use of the auto-calculating feature to calculate tax liability on state tax forms would be convenient for tax filers, it could expose the State to unnecessary liability if the feature is construed as the State actively preparing taxes for tax filers; and

WHEREAS, further study of auto-calculating tax forms is necessary to ensure that the auto-calculating computer technology is reliable and suitable for the Department of Taxation's computer system; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, that the Department of Taxation is requested to conduct a study on the feasibility of establishing computer generated on-line auto-calculating tax forms; and

BE IT FURTHER RESOLVED that the Department of Taxation is requested to report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2009; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor and the Director of Taxation.

OFFERED BY:

BY REQUEST:

MAR 1 1 2008