STAND. COM. REP. NO. 1716 -08

Honolulu, Hawaii

RE: S.B. No. 2838

S.D. 2 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2838, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this bill is to allow an individual taxpayer who files an electronic income tax return to have their income tax refund directly deposited into a maximum of three checking or savings accounts.

The Legal Aid Society of Hawaii supported this bill. The Department of Taxation (DOTAX) opposed this measure. The Tax Foundation of Hawaii provided comments.

Your Committee expresses its appreciation to the Director of Taxation for his outreach efforts to assist taxpayers in low-income communities with the preparation of their tax return forms, which can be daunting. Acknowledging that this is a valuable community service, your Committee has amended this bill by requiring the Director of Taxation to continue to visit low-income communities to assist taxpayers in the preparation of tax filings.

In addition, your Committee has amended this bill by:

- (1) Changing to an unspecified number the maximum number of checking or savings accounts that may be designated by the taxpayer;
- (2) Authorizing DOTAX to modify and revise their returns and computer systems to carry out the purposes of item (1) above; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2838, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2838, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committee on Finance,

MARCUS R. OSHIRO, Chai:

## State of Hawaii House of Representatives The Twenty-fourth Legislature

HSGR 1716-08

## **Record of Votes of the Committee on Finance**

Bill/Resolution No.:	Committee Referral: FIN		Date: 2 2 0 0 0 0 0	
SB 2838, SD 2 FIN 3-26-2008  The committee is reconsidering its previous decision on the measure.				
The recommendation is to: ☐ Pass, unamended (as is) ☐ Pass, with amendments (HD) ☐ Hold ☐ Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. OSHIRO, Marcus R. (C)	V			
2. LEE, Marilyn B. (VC)				
3. AWANA, Karen Leinani				
4. BELATTI, Della Au				
5. BROWER, Tom	<u> </u>			
6. CARROLL, Mele				
7. HANOHANO, Faye P.				
8. HAR, Sharon E.				
9. KARAMATSU, Jon Riki	<u> </u>			
10. MAGAOAY, Michael Y.				
11. MANAHAN, Joey				
12. MIZUNO, John				_
13. NAKASONE, Bob				
14. RHOADS, Karl				
15. SAGUM, Roland D., III				
16. TOKIOKA, James Kunane				
17. MEYER, Colleen Rose				_
18. PINE, Kymberly Marcos 19. WARD, Gene, Ph.D.				
19. WARD, Gene, Fil.D.				
<b>TOTAL</b> (19)	13		$\mathcal{O}$	4
The recommendation is:  Adopted  If joint referral, did not support recommendation.				
committee acronym(s)				
Vice Chair's or designee's signature: Maif B. Lel				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				