

Honolulu, Hawaii

APR 08 2011

RE: H.B. No. 828
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 828, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to clarify procedures for administration of tax laws applicable to the cash economy.

Specifically, the measure accomplishes this purpose by:

- (1) Clarifying violations of record and receipt requirements for cash business transactions;
- (2) Allowing business transaction records to be hand written or generated by a manually operated or electronic cash register;
- (3) Limiting the fine for a violation if the person is otherwise in compliance with tax laws; and
- (4) Repealing the penalty for failure to record cash transactions by register.

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



Your Committee finds that the "Cash Economy Enforcement Act of 2009", Act 134, Session Laws of Hawaii 2009, was enacted to address the State's cash economy and to ensure that cash transactions are properly reported and general excise taxes are paid on such transactions. Your Committee also finds that this measure clarifies several provisions of the Cash Economy Enforcement Act that will facilitate taxpayer compliance.

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. 828, H.D. 2, S.D. 1, and recommends that it pass Third Reading.

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



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* HB 828, HD2, SD1	Committee Referral: EDT/JDL, WAM	Date: 3-30-11
<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 checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310
<input type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)
Nay	Excused	
IGE, David Y. (C)	/	
KIDANI, Michelle N. (VC)	/	
CHUN OAKLAND, Suzanne	/	
DELA CRUZ, Donovan M.	/	
ENGLISH, J. Kalani	/	
ESPERO, Will	/	
FUKUNAGA, Carol	/	
KIM, Donna Mercado	/	
KAHELE, Gilbert	/	
KOUCHI, Ronald D.	/	
RYAN, Pohai		/
TOKUDA, Jill N.	/	
WAKAI, Glenn	/	
SLOM, Sam	/	
TOTAL	13	0
0	1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>		
Distribution: <div style="display: flex; justify-content: space-between; font-size: small;"> Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy </div>		

***Only one measure per Record of Votes**