JAN 1 8 2012

A BILL FOR AN ACT

RELATING TO TAX RELIEF.

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

1	SECT	ION 1. Chapter 235, Hawaii Revised Statutes, is	
2	amended by adding a new section to be appropriately designated		
3	and to re	ad as follows:	
4	" <u>§23</u>	5- Wagering winnings; waiver. (a) Upon payment of	
5	a \$	fee, an individual taxpayer may acquire from the	
6	department of taxation, a written waiver that exempts the		
.7	taxpayer from reporting as taxable income all wagering or		
8	gambling winnings that were acquired by the taxpayer legally		
9	outside of the State, that would have been otherwise reportable		
10	under this chapter, and that were accrued during the period of		
11	the waiver; provided that:		
12	(1)	No waiver to exempt taxpayers under this section shall	
13		be issued until the department of taxation has adopted	
14		rules pursuant to subsection (d);	
15	(2)	The waiver shall be valid for a specific consecutive	
16		five-day period during the taxable year for which the	
17		waiver applies;	
18	(3)	Waivers for multiple five-day periods may be acquired;	

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1	(4)	The \$ fee shall apply to each waiver;
2	(5)	The waiver shall be acquired by the taxpayer at least
3		twenty-four hours before the commencement of the
4		period during which the waiver is effective; and
5	(6)	The waiver shall apply to all individual taxpayers,
6		whether or not the taxpayer itemizes tax deductions.
7	(b)	A waiver shall not be transferrable and shall not be
8	combined	with any other waiver acquired by any other taxpayer.
9	<u>(c)</u>	Waivers shall be acquired and paid for by credit card
10	on the de	partment of taxation website or on other secure
11	internet-	based system established by the department.
12	<u>(d)</u>	The department of taxation shall adopt rules pursuant
13	to chapte	r 91 to effectuate this section; provided that the
14	rules sha	ll take effect no later than January 1, 2013."
15	SECT	ION 2. New statutory material is underscored.
16	SECT	ION 3. This Act shall take effect on January 1, 2013,
17	and shall	apply to taxable years beginning after December 31,
18	2012.	
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INTRODUCED BY: Clarence Whichia

S.B. NO. 2024

Report Title:

Wagering Winnings; Tax Exemption; Waiver Program

Description:

Establishes a waiver program to exempt from income taxation gambling winnings legally acquired outside of the State during a consecutive 5-day period. Effective 1/1/13.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.