



GOV. MSG. NO. 1143

EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

April 23, 2014

The Honorable Donna Mercado Kim,
President
and Members of the Senate
Twenty-Seventh State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

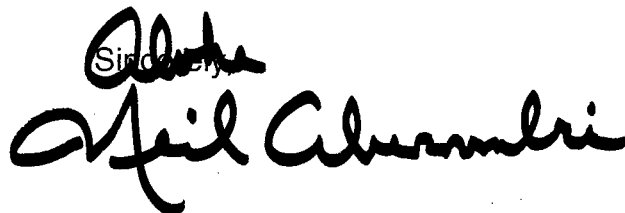
The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on April 23, 2014, the following bill was signed into law:

SB2890 SD1

RELATING TO APPLICATION OF THE INTERNAL
REVENUE CODE TO HAWAII INCOME TAX LAW
ACT 043 (14)


Sincerely,
Neil Abercrombie

NEIL ABERCROMBIE
Governor, State of Hawaii

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STATE OF HAWAII

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A BILL FOR AN ACT

RELATING TO APPLICATION OF THE INTERNAL REVENUE CODE TO HAWAII
INCOME TAX LAW.

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

- 1 SECTION 1. Section 235-3, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:
- 3 "(b) The Internal Revenue Code, so far as made operative
4 by this chapter, is a statute adopted and incorporated by
5 reference. The Internal Revenue Code shall be applied using
6 changes in nomenclature and other language, including the
7 omission of inapplicable language, where necessary to effectuate
8 the intent of this section. In the Internal Revenue Code,
9 references to terms such as:
- 10 (1) "Secretary or his delegate" shall refer to the
11 director of taxation and the director's duly
12 authorized subordinates;
- 13 (2) "Estate taxes" shall refer to the estate and transfer
14 tax imposed by chapter 236D[+] or the estate and
15 generation-skipping tax imposed by chapter 236E, as
16 applicable;



1 (3) "The highest rate of tax imposed upon individuals" or
2 "39.6 per cent" shall refer to the highest rate
3 imposed upon individuals under section 235-51;

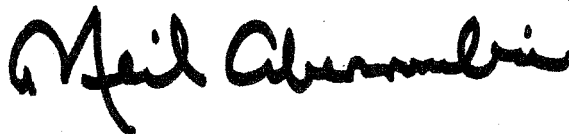
4 (4) "The highest rate of tax imposed upon corporations"
5 shall refer to the highest rate imposed upon
6 corporations under section 235-71; and

7 (5) "Interest at the underpayment rate" or "interest at
8 the overpayment rate" shall refer to the interest rate
9 set forth in section 231-39(b)(4) or section 231-
10 23(d)(1), as the case may be."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 3. This Act, upon its approval, shall apply
14 retroactively to January 26, 2012.

APPROVED this 23 day of APR, 2014



GOVERNOR OF THE STATE OF HAWAII