

DAVID Y. IGE
GOVERNOR
JOSH GREEN M.D.
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION
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ISAAC W. CHOY
DIRECTOR OF TAXATION

DEPT. COMM. NO. 357

March 24, 2021

VIA EMAIL AND HAND DELIVERY

✓ The Honorable Ronald D. Kouchi
President, Hawai'i State Senate
415 South Beretania Street, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker, Hawai'i State House of Representatives
415 South Beretania Street, Room 431
Honolulu, Hawai'i 96813

Dear Mr. Kouchi and Mr. Saiki:

Re: Federal Extension of Filing Deadline for Tax Year 2020

We have reviewed the Internal Revenue Service (IRS) announcement, IR-2021-59, March 17, 2021, which states they will extend the filing date of the Individual Income Tax Return for 30 days until May 17, 2021. The IRS normally requires a taxpayer to file a request for an extension for filing their Individual Income Tax Return, however, the State's extension is automatic for all Hawaii taxpayers. Therefore, we feel that extending the Hawaii State Individual Income Tax Return deadline is not necessary.

Extending the filing deadline is a complex, time-consuming and expensive proposal for all taxing agencies. New guidance must be written and approved. All references to the original deadline in our computer program will have to be rewritten and tested. New calculations will have to be made for interest, penalties, credits, audit periods, statutes of limitations and more. Extending the Hawaii State Individual Income Tax deadline will cause an administrative burden, and not many benefits for our taxpayers.

In order to better service our taxpayers, we will be issuing guidance to help taxpayers navigate through these very confusing times. We are reaching out to the local tax practitioners and have alerted all internal personnel, who interface with the public, on how to assist our taxpayers regarding this issue.

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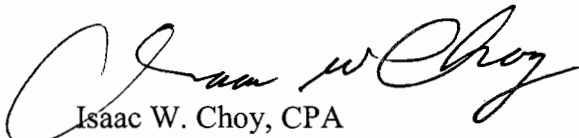
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Finally, there have been conversations that the Federal Government may further extend the filing date or may implement other tax law changes. If this happens, we will revisit this topic. But for now, a 30-day extension is not warranted.

If you should have any further questions, please do not hesitate to contact me at (808) 587-1540 or email me at: Isaac.w.choy@hawaii.gov. Thank you.

Very truly yours,



Isaac W. Choy, CPA
Director, Department of Taxation

IWC/lhc

cc: The Honorable David Y. Ige
Governor, State of Hawai'i