STAND. COM. REP. NO.



, 2024

Honolulu, Hawaii

APR 0 4

RE: S.B. No. 3176

S.D. 1 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 3176, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAX ENFORCEMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Provide deadlines for income, estate and generationskipping transfer, and general excise taxpayers under audit to comply with demands to produce documents and evidence; and
- (2) Require the Tax Appeal Court to preclude documents or evidence not produced pursuant to a demand from being introduced in evidence in a tax appeal or action unless the failure was due to reasonable cause.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received testimony in opposition to this measure from the Council On State Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii and CTIA.

2024-2688 SB3176 HD1 HSCR HMSO

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. 3176, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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



KYLE T. YAMASHITA, Chair

## State of Hawaii

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

Bill/Resolution No.: SB3MU, SD1, HD1	Committee Referral:		Date: 03   28   2024		
☐ 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 Member	s	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C					
2. KITAGAWA, Lisa (VC)					
3. AIU, Micah P.K.					THE RESERVE OF THE PARTY OF THE
<ol> <li>CHUN, Cory M.</li> <li>COCHRAN, Elle</li> </ol>		STREET, STREET			
<ul><li>5. COCHRAN, Elle</li><li>6. GARRETT, Andrew Taki</li></ul>	We			hiliputturii en j	
7. KAHALOA, Kirstin					1
8. KILA, Darius K.			A PERSONAL PROPERTY OF THE PRO	<u>                                     </u>	
9. KOBAYASHI, Bertrand					
10. LAMOSAO, Rachele F.			·		
11. MORIKAWA, Dee					
12. NISHIMOTO, Scott Y.				ne Salera e comun	
<ul><li>13. POEPOE, Mahina</li><li>14. TAKENOUCHI, Jenna</li></ul>				The second secon	
15. ALCOS III, David		/ Maria		To Landaum straig	
16. WARD, Gene				<u> 18. Peruna saluan mendahan da</u>	2. 10. 11. 12. 11.
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TOTAL (16)		12			4
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					
Duplicate (Tellow) - Chief Clerk's Office Duplicate (Plik) - HMSO					