
A BILL FOR AN ACT

RELATING TO CORPORATIONS.

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

1 SECTION 1. Chapter 414, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§414- Real property; dissolved corporations;
5 escheatment to State. (a) Real property assets of a dissolved
6 corporation not transferred to a creditor, claimant, or
7 shareholder of the corporation shall escheat to the State if:

8 (1) Real property taxes assessed by county real property
9 tax ordinance against the land and any improvements
10 thereon have been unpaid for five years;

11 (2) Any state tax liens, if the same are recorded in the
12 bureau of conveyances as provided by section 231-33,
13 have been unpaid for five years; and

14 (3) The State shows that reasonable efforts were made by
15 the State to locate a creditor, claimant, or
16 shareholder of the dissolved corporation, and have
17 been unsuccessful.



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1 (b) In all cases where real property of a dissolved
 2 corporation escheats to the State pursuant to subsection (a),
 3 the attorney general shall proceed in accordance with section
 4 665-1."

5 SECTION 2. Chapter 414D, Hawaii Revised Statutes, is
 6 amended by adding a new section to be appropriately designated
 7 and to read as follows:

8 "§414D- Real property; dissolved corporations;
 9 escheatment to State. (a) Real property assets of a dissolved
 10 corporation not transferred to a creditor, claimant, or
 11 shareholder of the corporation shall escheat to the State if:

12 (1) Real property taxes assessed by county real property
 13 tax ordinance against the land and any improvements
 14 thereon have been unpaid for five years;

15 (2) Any state tax liens, if the same are recorded in the
 16 bureau of conveyances as provided by section 231-33,
 17 have been unpaid for five years; and

18 (3) The State shows that reasonable efforts were made by
 19 the State to locate a creditor, claimant, or
 20 shareholder of the dissolved corporation, and have
 21 been unsuccessful.



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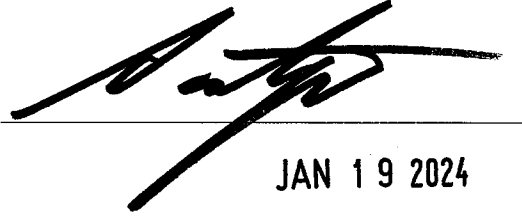
1 (b) In all cases where real property of a dissolved
2 corporation escheats to the State pursuant to subsection (a),
3 the attorney general shall proceed in accordance with section
4 665-1."

5 SECTION 3. New statutory material is underscored.

6 SECTION 4. This Act shall take effect upon its approval.

7

INTRODUCED BY:



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JAN 19 2024



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Report Title:

Real Property; Dissolved Corporations; Escheatment

Description:

Permits real property assets of a dissolved corporation to escheat to the State if a creditor, claimant, or shareholder of the corporation cannot be found; real property taxes and any state tax liens have remained unpaid for five years; and the State makes a showing that attempts to locate creditors, claimants, and shareholders of the dissolved corporation have been unsuccessful.

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

