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## HOUSE RESOLUTION

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REQUESTING THE DEPARTMENT OF TAXATION TO ESTABLISH A TAX AMNESTY DAY TO ALLOW BUSINESSES AND INDIVIDUALS TO PAY UNPAID TAXES WITHOUT PENALTIES OR FINES.

1 WHEREAS, the State relies on tax revenue to fund essential  
2 public services, including education, health care,  
3 infrastructure, and public safety; and  
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5 WHEREAS, some businesses and individuals may have  
6 outstanding tax liabilities due to financial hardships,  
7 administrative errors, or unintentional noncompliance; and  
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9 WHEREAS, penalties and fines associated with unpaid taxes  
10 can discourage individuals and businesses from coming forward to  
11 settle their outstanding liabilities; and  
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13 WHEREAS, the establishment of a Tax Amnesty Day would  
14 provide a one-time opportunity for businesses and individuals to  
15 voluntarily pay their outstanding taxes without incurring  
16 additional penalties and fines; and  
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18 WHEREAS, similar tax amnesty programs in other  
19 jurisdictions have successfully encouraged voluntary compliance,  
20 increased tax revenue collection, and reduced administrative  
21 burdens on tax enforcement agencies; and  
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23 WHEREAS, in 2009, the Hawaii Department of Taxation offered  
24 a Tax Fresh Start Program to provide an opportunity for eligible  
25 taxpayers to pay their back taxes to the State while avoiding  
26 penalties and potentially avoiding referral for criminal  
27 prosecution; and  
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29 WHEREAS, under the Tax Fresh Start Program, approximately  
30 \$14,400,000 was collected, including \$4,200,000 in general  
31 excise tax and \$3,900,000 in income tax; and  
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1 WHEREAS, a Tax Amnesty Day would benefit the State and  
2 taxpayers by increasing tax compliance, reducing financial  
3 burdens on individuals and businesses, and generating additional  
4 revenue for essential government services; now, therefore,  
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6 BE IT RESOLVED by the House of Representatives of the  
7 Thirty-third Legislature of the State of Hawaii, Regular Session  
8 of 2025, that the Department of Taxation is requested to  
9 establish a Tax Amnesty Day to allow businesses and individuals  
10 to pay unpaid taxes without penalties or fines; and  
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12 BE IT FURTHER RESOLVED that the Department of Taxation is  
13 requested to develop guidelines and procedures for implementing  
14 the Tax Amnesty Day, including public outreach efforts to inform  
15 taxpayers about the opportunity; and  
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17 BE IT FURTHER RESOLVED that the Department of Taxation is  
18 requested to submit a report, including the feasibility and the  
19 potential impact of a proposed Tax Amnesty Day, to the  
20 Legislature no later than twenty days prior to the convening of  
21 the Regular Session of 2026; and  
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23 BE IT FURTHER RESOLVED that a certified copy of this  
24 Resolution be transmitted to Director of Taxation.  
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OFFERED BY:  \_\_\_\_\_

MAR 07 2025

