

ACT 31

H.B. NO. 1692

A Bill for an Act Relating to the Recomputation of Income Tax.

Bé It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 235-101, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) It shall be the duty of every person who is required by section 235-92 to make a return, to report to the department, as to any taxable year governed by this chapter, if (1) the amount of taxable income as returned to the United States is changed, corrected, or adjusted by an officer of the United States or other competent authority, or (2) a change in taxable income results from a renegotiation of a contract with the United States or a subcontract thereunder, or (3) a recomputation of the income tax imposed by the United States under the Internal Revenue Code results from any cause, or (4) an amended income tax return is made to the United States. The report shall be made within ninety days after the change, correction, adjustment, or recomputation is finally determined or the amended return is filed, as the case may be[, but in any event, even if such change, correction, adjustment, or recomputation has not been finally determined or the ninety days have not elapsed, such person shall make a report thereof to the department at the time of filing the person’s next return under this chapter]. The report required by this subsection shall be made in the form of an amendment of the person’s return filed under this chapter. The amended return shall be accompanied by a copy of the document issued by the United States under (1) to (3). The statutory period for the assessment of any deficiency or the determination of any refund attributable to this report shall not expire before the expiration of one year from the date the department is notified by the taxpayer or the Internal Revenue Service, whichever is earlier, of such a report in writing. Before the expiration of this one-year period, the department and the taxpayer may agree in writing to the extension of this period. The period so agreed upon may be further extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.”

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect on January 1, 1994.

(Approved April 15, 1993.)