

ACT 121

S.B. NO. 1577

A Bill for an Act Relating to the Payment of Taxes by Electronic Funds Transfer.
Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 231, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“§231- Payment of taxes by electronic funds transfer. (a) The director of taxation is authorized to require every person whose tax liability for any one taxable year exceeds \$100,000 and who files a tax return for any tax, including

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consolidated filers, to remit taxes by one of the means of electronic funds transfer approved by the department.

(b) Any person who files a tax return for any tax and is not required by subsection (a) to remit taxes by means of electronic funds transfer may elect to remit taxes by one of the means of electronic funds transfer approved by the department with the approval of the director of taxation.”

SECTION 2. Section 231-1, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

““Electronic funds transfer” means any transfer of funds that is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account but shall not include any transfer originated by check, draft, or similar paper instrument.”

SECTION 3. New statutory material is underscored.¹

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

(Approved June 8, 1995.)

Note

1. Edited pursuant to HRS §23G-16.5.