

## ACT 14

S.B. NO. 1578

A Bill for an Act Relating to Fees Imposed by the Department of Taxation.

*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- Cost recovery fees for the administration of taxes.** (a) The department may charge and add a fee to any amount due in accordance with the department’s duties and powers under section 231-3 for any cost or expense incurred by the department as a result of any action taken to enforce the collection of taxes administered under title 14, including levy, seizure, foreclosure, and other similar acts, after the department has mailed written notice demanding payment and advising that continued failure to pay the amount due may result in collection action, including the imposition of fees pursuant to this section. Any such fee charged against the taxpayer for costs, fees, and other charges, may include attorneys’ fees, collection agency fees, court filing fees, recording fees, and similar fees, incurred by the department in connection with the collection action.

(b) Interest shall not accrue with respect to any fee charged under this section.

(c) Notwithstanding any other provisions provided under title 14, whenever a taxpayer makes a partial payment of a particular delinquent amount, the amount received by the department shall first be credited to the fees provided by this section, in the order that the fees were charged.

(d) The department shall prescribe the procedures relating to the charging of fees, the documents and services for which fees may be charged, and the amount of the fees, increasing or decreasing the fees as necessary, pursuant to rules adopted under chapter 91.”

SECTION 2. New statutory material is underscored.<sup>1</sup>

SECTION 3. This Act shall take effect upon approval.

(Approved April 7, 1995.)

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### **Note**

1. Edited pursuant to HRS §23G-16.5.