

ACT 281

S.B. NO. 938

A Bill for an Act Relating to Nonresident Income Tax.

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

SECTION 1. Chapter 235, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“**§235- Special rules for nonresidents and part-year residents.** There shall be imposed for each taxable year upon the entire taxable income of every nonresident or part-year resident which is derived from sources in this State a tax which shall be equal to the tax computed on the basis of the rates prescribed by section 235-51 or 235-53, as appropriate, as if the nonresident or part-year resident were a resident multiplied by the ratio of Hawaii adjusted gross income to total adjusted gross income from all sources.”

SECTION 2. New statutory material is underscored.¹

SECTION 3. This Act, upon its approval, shall apply to taxable years beginning after December 31, 1996.

(Approved June 21, 1997.)

Note

1. Edited pursuant to HRS §23G-16.5.