

ACT 68

H.B. NO. 1203

A Bill for an Act Relating to the Collection of Taxes.

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

SECTION 1. Section 231-13, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) At the option of the director, any contract entered into under this section may provide for compensation on:

- (1) A fixed price basis;
- (2) An hourly rate basis with or without a fixed cap; or
- (3) A contingent fee arrangement to be specified in the contract; provided that this paragraph shall not apply to auditors and accountants.

All compensation shall be payable out of the taxes recovered for the State[,] or from the debtor in accordance with the terms of, and up to the amount authorized by the contract, unless otherwise determined by the director.”

SECTION 2. Section 231-26, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

“(f) At the option of the director, any contract entered into under this section may provide for compensation on:

- (1) A fixed price basis;
- (2) An hourly rate basis with or without a fixed cap; or
- (3) A contingent fee arrangement to be specified in the contract; provided that this paragraph shall not apply to auditors and accountants.

All compensation shall be payable out of the taxes recovered for the State[,] or from the debtor in accordance with the terms of, and up to the amounts authorized by the contract, unless otherwise determined by the director.”

SECTION 3. Section 443B-9, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

“(b) This section shall not prohibit a collection agency from collecting, or attempting to collect, from a debtor, a commission authorized under a contract with the University of Hawaii pursuant to section 304-93(b)[.], or a contract with the department of taxation pursuant to sections 231-13 and 231-26.”

SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 10, 1999.)