

A Bill for an Act Relating to Boards of Review.

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

SECTION 1. Section 232-6, Hawaii Revised Statutes, is amended to read as follows:

“**§232-6 Appointment, removal, compensation.** There is created a board of review for each taxation district. Additional boards may be created in any taxation district by the director of taxation where the number of disputes to be decided cannot be reasonably decided within one year. Each taxation district shall have no more than three boards. Each board shall consist of five members who shall be citizens of the State and residents of the district for which the board is appointed, shall have resided at the time of appointment for at least three years in the State, and shall be appointed and be removable by the governor as provided in section 26-34. The governor shall designate a member of each board to act as chairperson thereof. In addition, the governor shall designate a member of each board to act as vice chairperson who shall serve as the chairperson of the board during the temporary absence from the State, illness, or disqualification of the chairperson. Any vacancy in any board shall be filled for the unexpired term. Each member shall receive and be paid out of the treasury compensation for the member's services at the rate of \$10 per day for each day's actual attendance and the member's actual traveling expenses. No officer or employee of the State shall be eligible for appointment to any such board.”

SECTION 2. Section 232-7, Hawaii Revised Statutes, is amended to read as follows:

“**§232-7 Boards of review; duties, powers, procedure before.** (a) The board of review for each district shall hear informally all disputes between the assessor and any taxpayer in all cases in which appeals have been duly taken and the fact that a notice of appeal has been duly filed by a taxpayer shall be conclusive evidence of the existence of a dispute; provided that this provision shall not be construed to permit a taxpayer to dispute an assessment to the extent that it is in accordance with the taxpayer's return.

(b) Each board shall hold public meetings at some central location in its taxation district ~~commencing not later than April 9 of each year~~ at least once annually and shall hear, as speedily as possible, all appeals presented for each year. A taxpayer's identity and final documents submitted in support or opposition of an appeal shall be public information; provided that an individual taxpayer is authorized to redact all but the last four digits of the taxpayer's social security number from any accompanying tax return. Each board shall have the power and authority to decide all questions of fact and all questions of law, excepting questions involving the Constitution or laws of the United States, necessary to the determination of the objections raised by the taxpayer in the notice of appeal; provided that no board shall have power to determine or declare an assessment illegal or void. Without prejudice to the generality of the foregoing, each board shall have power to allow or disallow exemptions pursuant to law whether or not previously allowed or disallowed by the assessor and to increase or lower any assessment.

(c) The board shall base its decision on the evidence before it, and, as provided in section 231-20, the assessment made by the assessor shall be deemed prima facie correct. The board shall file with the assessor concerned its decision

in writing on each appeal decided by it, and a certified copy of the decision shall be furnished by the assessor to the taxpayer concerned by delivery or by mailing the copy addressed to the taxpayer's last known place of residence.

(d) Each board and each member thereof in addition to all other powers shall also have the power to subpoena witnesses, administer oaths, examine books and records, and hear and take evidence in relation to any subject pending before the board. The tax appeal court shall have the power, upon request of the boards, to enforce by proper proceedings the attendance of witnesses and the giving of testimony by them, and the production of books, records, and papers at the hearings of the boards.

(e) If there exists more than one board of review in a taxation district, the chair of one board, administratively and without requirement of any formal action, may assign a member of that board to serve as a temporary member of the requesting board for purposes of establishing a quorum at a designated meeting of the requesting board. The temporary member shall serve only for the specific board meeting for which the assignment is made and only for the period necessary to establish and maintain a quorum. A temporary member may participate in discussion and vote on all matters before the board. Nothing herein shall prevent a member from being assigned multiple times under this subsection."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2013.

(Approved April 30, 2013.)