

ACT 115

S.B. NO. 1196

A Bill for an Act Relating to Withholding Tax.

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

SECTION 1. Section 235-63, Hawaii Revised Statutes, is amended to read as follows:

“§235-63 Statements to employees. (a) Every employer required to deduct and withhold any tax on the wages of any employee shall furnish to each employee in respect of the employee’s employment during the calendar year, on or before January 31 of the succeeding year, or if the employee’s employment is terminated before the close of a calendar year, within thirty days after the date of receipt of a written request from the employee if [~~such~~] the thirty-day period ends before January 31, a written statement, showing the period covered by the statement, the wages paid by the employer to the employee during [~~such~~] the period[;] covered by the statement, and the amount of the tax deducted and withheld or paid in respect of [~~such~~] those wages. Each [~~such~~] employer required to furnish a statement under this section shall file on or before [~~the last day of February~~] January 31 following the close of the calendar year a duplicate copy of each [~~such~~] statement. The department of taxation may grant to any employer a reasonable extension of time, not in excess of sixty days, with respect to any statement required by this section to be furnished to an employee or filed, and may by regulation provide for the furnishing or filing of statements at [~~such~~]

other times and containing [~~such~~] other information as may be required for the administration of this chapter. The department shall prescribe the form of the statement required by this section and may adopt any federal form appropriate for the purpose.

(b) In regard to the statement required under subsection (a), an employer that:

- (1) Wilfully fails to furnish the statement to the employee by the prescribed due date;
- (2) Fails to file the statement with the department by the prescribed due date; or
- (3) Fails to electronically file the statement with the department if the employer is required to file electronically under section 231-8.5;

shall be subject to a penalty of \$25 per failure; provided that the penalty imposed under this section shall not exceed \$50 per employee.”

SECTION 2. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 3. This Act shall take effect on January 1, 2022.

(Approved June 28, 2021.)