

Tax

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STANDING COMMITTEE REPORT NO.

Honolulu, Hawaii

APR 8, 1994

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Honorable Norman Mizuguchi
President of the Senate
Seventeenth State Legislature
Regular Session of 1994
State of Hawaii

Sir:

RE: H.B. No. 3190, H.D. 1, S.D. 1

Your Committee on Ways and Means, to which was referred H.B. No. 3190, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC DISCLOSURE OF WRITTEN OPINIONS BY THE DEPARTMENT OF TAXATION,"

begs leave to report as follows:

The purpose of this bill is to allow public inspection of written opinions of the department of taxation.

This bill is intended to provide assistance to the taxpayer in interpreting the tax laws for correct reporting of tax liability. It balances the need to maintain confidentiality of the information reported to the department of taxation and the benefit it provides to tax preparers.

The bill maintains confidentiality by protecting material such as trade secrets and identifying information including names and taxpayer identification numbers. The bill also limits the burden on the department of taxation by limiting the type of documents that are open to public inspection, and provides for appeal opportunities that protect the confidentiality of the written opinion.


Your Committee finds that this bill establishes a clear set of operating rules regarding tax department opinions to assist taxpayers in understanding state tax policies.

Your Committee on Ways and Means is in accord with the intent and purpose of H.B. No. 3190, H.D. 1, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted,



DONNA R. IKEDA, Chair


GERALD T. HAGINO, Vice Chair

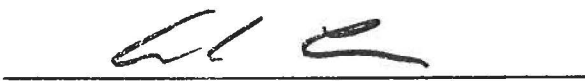

LEHUA FERNANDES SALLING,
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