

JAN 21 2011

S.B. NO. 245

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# A BILL FOR AN ACT

RELATING TO INCOME TAX CHECK-OFF.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 235-102.5, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3           "**§235-102.5 Income check-off authorized.** (a) Any  
4 individual whose state income tax liability for any taxable year  
5 is \$3 or more may designate \$3 of the liability to be paid over  
6 to the Hawaii election campaign fund, any other law to the  
7 contrary notwithstanding, when submitting a state income tax  
8 return to the department. In the case of a joint return of a  
9 husband and wife having a state income tax liability of \$6 or  
10 more, each spouse may designate that \$3 be paid to the fund.  
11 The director of taxation shall revise the individual state  
12 income tax form to allow the designation of contributions to the  
13 fund on the face of the tax return and immediately above the  
14 signature lines. An explanation shall be included [~~which~~] that  
15 clearly states that the check-off does not constitute an  
16 additional tax liability. If no designation was made on the  
17 original tax return when filed, a designation may be made by the  
18 individual on an amended return filed within twenty months and



1 ten days after the due date for the original return for such  
2 taxable year. A designation once made whether by an original or  
3 amended return may not be revoked.

4 (b) Notwithstanding any law to the contrary, any  
5 individual whose state income tax refund for any taxable year is  
6 \$2 or more may designate \$2 of the refund to be deposited into  
7 the school-level minor repairs and maintenance special fund  
8 established by section 302A-1504.5, when submitting a state  
9 income tax return to the department. In the case of a joint  
10 return of a husband and wife having a state income tax refund of  
11 \$4 or more, each spouse may designate that \$2 be deposited into  
12 the special fund. The director of taxation shall revise the  
13 individual state income tax return form to allow the designation  
14 of contributions to the special fund on the face of the tax  
15 return and immediately above the signature lines. If no  
16 designation was made on the original tax return when filed, a  
17 designation may be made by the individual on an amended return  
18 filed within twenty months and ten days after the due date for  
19 the original return for such taxable year. A designation once  
20 made, whether by an original or amended return, may not be  
21 revoked.



1           (c) Notwithstanding any law to the contrary, any  
2 individual whose state income tax refund for any taxable year is  
3 \$2 or more may designate \$2 of the refund to be paid over to the  
4 libraries special fund established by section 312-3.6, when  
5 submitting a state income tax return to the department. In the  
6 case of a joint return of a husband and wife having a state  
7 income tax refund of \$4 or more, each spouse may designate that  
8 \$2 be deposited into the special fund. The director of taxation  
9 shall revise the individual state income tax form to allow the  
10 designation of contributions to the fund on the face of the tax  
11 return and immediately above the signature lines. If no  
12 designation was made on the original tax return when filed, a  
13 designation may be made by the individual on an amended return  
14 filed within twenty months and ten days after the due date for  
15 the original return for such taxable year. A designation once  
16 made, whether by an original or amended return, may not be  
17 revoked.

18           (d) Notwithstanding any law to the contrary, any  
19 individual whose state income tax refund for any taxable year is  
20 \$5 or more may designate \$5 of the refund to be paid over as  
21 follows:



- 1           (1) One-third to the Hawaii children's trust fund under  
2           section 350B-2; and
- 3           (2) Two-thirds to be divided equally among:
- 4           (A) The domestic violence and sexual assault special  
5           fund under the department of health in section  
6           321-1.3;
- 7           (B) The spouse and child abuse special account under  
8           the department of human services in section  
9           346-7.5; and
- 10          (C) The spouse and child abuse special account under  
11          the judiciary in section 601-3.6.
- 12 When designated by a taxpayer submitting a state income tax  
13 return to the department, the department of budget and finance  
14 shall allocate the moneys among the several funds as provided in  
15 this subsection. In the case of a joint return of a husband and  
16 wife having a state income tax refund of \$10 or more, each  
17 spouse may designate that \$5 be paid over as provided in this  
18 subsection. The director of taxation shall revise the  
19 individual state income tax form to allow the designation of  
20 contributions pursuant to this subsection on the face of the tax  
21 return and immediately above the signature lines. If no  
22 designation was made on the original tax return when filed, a



1 designation may be made by the individual on an amended return  
2 filed within twenty months and ten days after the due date for  
3 the original return for such taxable year. A designation once  
4 made, whether by an original or amended return, may not be  
5 revoked.

6 (e) Notwithstanding any law to the contrary, any  
7 individual whose state income tax refund for any taxable year is  
8 \$ \_\_\_\_\_ or more may designate \$ \_\_\_\_\_ of the refund to be  
9 paid over to the University of Hawaii. Of the total amount  
10 collected in this manner, the proceeds shall be divided as  
11 follows:

- 12 (1) One-half to be divided equally among the ten  
13 University of Hawaii system campuses;  
14 (2) One-fourth to the University of Hawaii, Manoa campus;  
15 and  
16 (3) One-fourth to the University of Hawaii, Hilo athletics  
17 program.

18 When designated by a taxpayer submitting a state income tax  
19 return to the department, the department of budget and finance  
20 shall allocate the moneys among the several funds as provided in  
21 this subsection. In the case of a joint return of a husband and  
22 wife having a state income tax refund of \$ \_\_\_\_\_ or more,



1 each spouse may designate that \$ \_\_\_\_\_ be paid over as  
2 provided in this subsection. The director of taxation shall  
3 revise the individual state income tax form to allow the  
4 designation of contributions pursuant to this subsection on the  
5 face of the tax return and immediately above the signature  
6 lines. If no designation was made on the original tax return  
7 when filed, a designation may be made by the individual on an  
8 amended return filed within twenty months and ten days after the  
9 due date for the original return for the taxable year. A  
10 designation once made, whether by an original or amended return,  
11 may not be revoked."

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

14 SECTION 3. This Act, upon its approval, shall apply to  
15 taxable years beginning after December 31, 2010.

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INTRODUCED BY: *Jill*  
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**Report Title:**

Taxation; Income Tax Check-Off

**Description:**

Provides an income tax check-off for an unspecified amount to be divided as follows: 50% equally to the 10 UH campuses; 25% to UH Manoa; and 25% to the UH Hilo athletics program.

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