

JAN 24 2019

A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to part III to be appropriately
3 designated and to read as follows:

4 "§235- Withholdings by partnerships, estates, and
5 trusts. Partnerships, estates, and trusts shall withhold all
6 tax owed to the State from any gross income or adjusted gross
7 income of a nonresident, in order to collect the tax imposed by
8 this chapter on the nonresident. All amounts withheld shall be
9 paid to the department of taxation in a manner that the
10 department may prescribe."

11 SECTION 2. Section 235-66, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) Income upon which any tax has been withheld at the
14 source under sections 235-61 to [~~235-64,~~] 235- , or under
15 regulations adopted pursuant to subsection (a), shall be
16 included in the return of the recipient of such income, but any
17 amount of tax so withheld shall be credited against the amount



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1 of income tax as computed in the return, and if in excess of the
2 tax due for the taxable year shall be refunded as provided in
3 section 235-110."

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 Statutory material to be repealed is bracketed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

6 SECTION 4. This Act, upon its approval, shall apply to
7 taxable years beginning after December 31, 2018.

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INTRODUCED BY: 



S.B. NO. 1360

Report Title:

Income Tax; Partnerships; Estates; Trusts; Withholding

Description:

Requires partnerships, estates, and trusts to withhold taxes on the income of nonresident partners and beneficiaries.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

