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# A BILL FOR AN ACT

RELATING TO TAXATION.

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

1           SECTION 1. Chapter 231, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§231-        **Failure to respond; penalty.** A penalty shall be  
5 added to any tax assessed under this title if a taxpayer fails  
6 to respond to any department inquiry or request for information  
7 during an examination or investigation at the time or times  
8 required by law. The amount of the penalty shall be no more  
9 than twenty-five per cent of the assessed tax. The director may  
10 waive or reduce the penalty if the failure to respond was due to  
11 reasonable cause and not due to neglect."

12           SECTION 2. This Act does not affect rights and duties that  
13 matured, penalties that were incurred, and proceedings that were  
14 begun before its effective date.

15           SECTION 3. New statutory material is underscored.

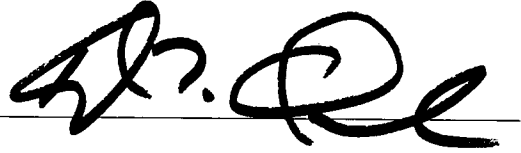


# H.B. NO. 1496

1 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

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JAN 18 2022



# H.B. NO. 1490

**Report Title:**

Taxation; Failure to Respond; Penalty

**Description:**

Establishes a civil penalty for failure to respond to an inquiry or request for information during a state tax examination or investigation.

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

