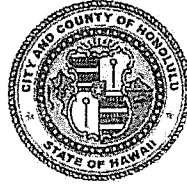


DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov



RICK BLANGIARDI
MAYOR

ANDREW T. KAWANO
DIRECTOR

CARRIE CASTLE
DEPUTY DIRECTOR

November 24, 2021

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Waters and Councilmembers:

SUBJECT: Proposed Amendments to Bill 40, CD2
Relating to Transient Accommodations Tax

Submitted for your consideration are the attached proposed amendments to Bill 40, CD2, relating to the Transient Accommodations Tax, which are needed to be included for proper filing and payment requirements.

If you have any questions, please call me at 768-3901.

Sincerely,

for Carrie Castle
Andrew T. Kawano, Director
Budget and Fiscal Services

Attachment

APPROVED:

A handwritten signature in black ink, appearing to read "Michael D. Formby", is written over a horizontal line.
Michael D. Formby
Managing Director

Sec. 8A-____ Electronic filing of tax returns.

- (a) A person whose tax liability under this chapter for the tax year exceeds \$4,000 shall file any tax return required under this chapter by electronic means.
- (b) The director may grant an exemption to the electronic filing requirement for good cause.
- (c) The date of filing shall be the date the tax return is transmitted to the director. The director may determine alternative methods for the signing, subscribing, or verifying of a tax return that shall have the same validity and consequences as the actual signing by the taxpayer. A filing under this section shall be treated in the same manner as a filing subject to the penalties under section 8A-1.18.
- (d) If a person who is required under subsection (a) to electronically file any tax return fails to file using an approved method, unless it is shown that the failure is due to reasonable cause and not to neglect, the person shall be liable for a penalty of two percent of the amount of the tax required to be shown on the return.

Sec. 8A-____ Payment of taxes by electronic funds transfer.

- (a) A person whose tax liability under this chapter for the tax year exceeds \$50,000.00 shall remit taxes by one of the means of electronic funds transfer approved by the director.
- (b) The director may grant an exemption to the electronic payment requirement for good cause.
- (c) If a person who is required under subsection (a) to remit taxes by one of the means of electronic funds transfer approved by the director fails to remit the taxes using an approved method on or before the date prescribed therefor, unless it is shown that the failure is due to reasonable cause and not to neglect, there shall be added to the tax required to be so remitted a penalty of two percent of the amount of the tax. The penalty under this subsection is in addition to any penalty set forth in section 8A-1.18.