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DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2020-01

RE: Relief for Taxpayers Affected by the COVID-19 Emergency

Governor David Y. Ige issued an Emergency Proclamation on March 4, 2020, a Supplemental Emergency Proclamation on March 16, 2020, and a Second Supplemental Proclamation on March 21, 2020, relating to the COVID-19 emergency. Consistent with these Proclamations, the Department of Taxation (Department) will grant special tax relief for State income taxpayers.

Hawaii Income Tax Payment and Filing Deadlines for Tax Year 2019 Postponed

The Department has determined that any person with a 2019 State income tax filing requirement or payment due from April 20, 2020 to June 20, 2020, is affected by the COVID-19 pandemic for purposes of the relief described in this Announcement (Affected Taxpayer).

For all Affected Taxpayers, the due date for filing 2019 State income tax returns due from April 20, 2020 to June 20, 2020 is postponed to July 20, 2020.

For all Affected Taxpayers, the due date for making 2019 State income tax payments due from April 20, 2020 to June 20, 2020 is postponed to July 20, 2020.

The relief provided in this Announcement applies solely to returns and payments for an Affected Taxpayer's 2019 taxable year due from April 20, 2020 to June 20, 2020. The relief provided in this Announcement does not include estimated income tax payments for the 2020 taxable year.

What This Means for Individual Income Taxpayers

Individual income tax returns and payments for the 2019 taxable year that are due from April 20, 2020 to June 20, 2020 are now due by July 20, 2020. This relief applies to all individual income tax filers, including self-employed individuals. The Department will automatically provide this relief, there is no need to file additional forms to qualify for this relief.

What This Means for Corporate Income Taxpayers

Corporate income tax returns and payments for the 2019 taxable year that are due from April 20, 2020 to June 20, 2020 are now due July 20, 2020. This relief includes only payments for the 2019 taxable year and does not include payment of 2020 estimated taxes.

Income Tax Filing Extensions

The filing deadline for the 2019 taxable year for all Income Taxpayers is extended to July 20, 2020. Automatic extensions to file under section 235-98, Hawaii Revised Statutes (HRS), remain available. For purposes of automatic extensions for Affected Taxpayers, the postponed payment deadline of July 20, 2020 will be used. This means that for Affected Taxpayers, "properly estimated tax liability" must be paid by July 20, 2020 rather than April 20, 2020 and returns must be filed by October 20, 2020.

Individual Income Taxpayers expecting a refund should file as soon as possible. They are granted an automatic extension to file by October 20, 2020.

Penalties and Interest

Interest, penalties, and additions to tax for failure to file the returns or make the Hawaii income tax payments postponed by this Announcement will not accrue from April 20, 2020 to July 20, 2020. Interest, penalties, and additions to tax with respect to such postponed Hawaii income tax filings or payments will begin to accrue on July 21, 2020, if not paid by July 20, 2020.

Affected Taxpayers subject to penalties or additions to tax despite the relief granted by this Announcement may seek reasonable cause waivers under section 231-3(12), HRS.

The relief provided by this Announcement is limited to Hawaii income tax payments and does not extend to withholding tax, franchise tax, public service company tax, general excise tax, transient accommodations tax, estate tax, or any other tax not specifically identified for the relief provided by this Announcement.

Tax forms and information are available on the Department's website at tax.hawaii.gov. Additional information is available by calling the Technical Section at (808) 587-1577, or by e-mail at tax.technical.section@hawaii.gov.

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