JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

GARY S. SUGANUMA
DIRECTOR OF TAXATION

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAIʻI
DEPARTMENT OF TAXATION
Ka 'Oihana 'Auhau
P.O. BOX 259
HONOLULU, HAWAI'I 96809
PHONE NO: (808) 587-1530
FAX NO: (808) 587-1584

July 30, 2025

DEPARTMENT OF TAXATION ANNOUNCEMENT NO. 2025-05

RE: Mandatory Electronic Filing of Forms W-2 and HW-2 for Employers Filing 10 or More Returns

This Announcement supersedes Announcement No. 2023-07, and supplements Announcement No. 2019-11 (AMENDED) and Announcement No. 2021-08, relating to electronic filing requirements for employer's withholding tax returns.

Section 231-9.9(a), Hawaii Revised Statutes (HRS), authorizes the Director of Taxation to require any person who is required to electronically file a federal return to electronically file a State return. Pursuant to Treasury Regulation section 301.6011-2, taxpayers are required to file certain information returns electronically, including Form W-2, if the taxpayer is required to file at least 10 returns during the calendar year.

Effective January 1, 2026, the Department of Taxation (DOTAX) will adopt the 10 or more electronic filing threshold for Forms W-2 and HW-2. Employers who file at least 10 Form W-2 and/or Form HW-2 in a calendar year with the State must electronically file Forms W-2 and HW-2 regardless of the employer's annual withholding tax liability. Additionally, in accordance with Announcement No. 2019-11, employers whose annual withholding tax liability exceed $40,000 are reminded that they are required to electronically file all withholding tax forms, including Forms W-2 and HW-2, regardless of the number of Forms W-2 and HW-2 they file in a calendar year.

Based on the foregoing, an employer will be required to electronically file Form W-2 and/or Form HW-2 with DOTAX if:

1. The employer is required to file 10 or more of Form W-2 and/or Form HW-2 in the calendar year; or

2. The employer's annual withholding tax liability exceeds $40,000.

Employers whose annual withholding tax liability exceed $40,000 are further reminded that they are subject to a penalty of up to $25 for each Form W-2 and/or Form HW-2 not filed electronically, up to $50 per employee, pursuant to section 235-63, HRS.

Forms W-2 and HW-2 may be filed electronically with DOTAX at Hawaii Tax Online (https://hitax.hawaii.gov/)[1] or via the Hawaii Bulk Filing System.[2] For questions regarding this Announcement, please contact the Rules Office at (808) 587-1530 or by email at Tax.Rules.Office@hawaii.gov.

GARY S. SUGANUMA
Director of Taxation

[1] For more information on filing Form W-2 and/or Form HW-2 via Hawaii Tax Online, please visit the Withholding Tax – For Employers page.
[2] For more information on the Hawaii Bulk Filing System, please refer to Publication EF-9 on the Hawaii's Bulk Filing System page.