

Income/Franchise:

Hawaii Department of Taxation Updates Guidance on Elective Pass-Through Entity-Level Tax

Tax Information Release No. 2023-03, Haw. Dept. of Tax. (rev. 12/27/23). The Hawaii Department of Taxation issued an updated overriding tax information release [see *State Tax Matters*, Issue 2023-45, for details on earlier overriding guidance] that provides expanded guidance on entities that may elect pass-through entity taxation and further clarifies who can be a qualified member of an electing pass-through entity [see S.B. 1437 (2023) and previously issued Multistate Tax Alert for more details on this election]. Among the topics addressed is making the election, underlying income tax credit eligibility and allowance, filing and calculating the new tax, and making estimated payments. Please contact us with any questions.

URL: https://files.hawaii.gov/tax/legal/tir/tir23-03_amended1227.pdf

URL: https://dhub.deloitte.com/Newsletters/Tax/2023/STM/231110_3.html

URL: https://www.capitol.hawaii.gov/session/measure_indiv.aspx?billtype=SB&billnumber=1437&year=2023

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-hawaii-enacts-pass-through-entity-tax-election.pdf>

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