

Where to File

File Form M-110 with:
Hawaii Department of Taxation
P. O. Box 259
Honolulu, HI 96809-0259

Where To Get Information and Forms

Oahu District Office
830 Punchbowl Street
P. O. Box 259
Honolulu, HI 96809-0259
Tel. No.: (808) 587-4242
Toll-Free: 1-800-222-3229

Maui District Office
54 S. High St., #208
Wailuku, HI 96793-2198
Toll-Free: 1-800-222-3229

For the hearing impaired:
TDD/TTY No.: (808) 587-1418
TDD/TTY Toll-Free: 1-800-887-8974

Hawaii District Office
75 Aupuni Street, #101
Hilo, HI 96720-4245
Toll-Free: 1-800-222-3229

Kauai District Office
3060 Eiwa St., #105
Lihue, HI 96766-1889
Toll-Free: 1-800-222-3229

Tax information and forms:
www.hawaii.gov/tax

Penalty and Interest

Late Filing of Return — The penalty for failure to file a return on time is assessed on the tax due at a rate of 5% per month, or part of a month, up to a maximum of 25%.

Failure to Pay Tax After Filing Timely Return — The penalty for failure to pay the tax after filing a timely return is 20% of the tax unpaid within 60 days of the prescribed due date. The 60-day period is calculated beginning with the prescribed due date even if the prescribed due date falls on a Saturday, Sunday, or legal holiday.

Interest — Interest at the rate of 2/3 of 1% per month or part of a month shall be assessed on unpaid taxes and penalties beginning with the first calendar day after the date prescribed for payment, whether or not that first calendar day falls on a Saturday, Sunday, or legal holiday.

Signature

The return must be signed and dated by a person who is authorized to sign Form M-110.

Specific Instructions

Line (b) — The cigarette tax rates are as follows:

- 7¢ (.07) per cigarette from July 1, 2004, until September 29, 2006
- 8¢ (.08) per cigarette from September 30, 2006, until September 29, 2007
- 9¢ (.09) per cigarette from September 30, 2007, until September 29, 2008
- 10¢ (.10) per cigarette from September 30, 2008, until June 30, 2009
- 13¢ (.13) per cigarette from July 1, 2009, until June 30, 2010
- 15¢ (.15) per cigarette from July 1, 2010, until June 30, 2011
- 16¢ (.16) per cigarette from July 1, 2011

Line (e) — Attach your check or money order for this amount payable to "Hawaii State Tax Collector" in U.S. dollars drawn on any U.S. bank to Form M-110.

Use Tax (To be reported on Form G-26)

Chapter 238, HRS, levies the use tax on the landed value of tangible personal property, services, or contracting that are imported into Hawaii, regardless if at the time of importation, the property, services, or contracting is owned by the importer, purchased from a seller that does not have a general excise tax license, or however acquired, and used in the State.

"Landed value" means the value of imported cigarettes which is the fair and reasonable cash value of the cigarettes when they are received by the cigarette purchaser in Hawaii. It includes the purchase price, shipping and handling fees, insurance costs, and customs duty. It does not include sales tax paid to another state.

For more information about the Hawaii Use Tax, refer to the following Department of Taxation publications: Tax Facts No. 95-1, September, 1995; An Introduction to the Use Tax brochure; and Tax Information Release No. 2001-2.

These publications may be viewed at our website: www.hawaii.gov/tax.

Use Form G-26, Use Tax Return, to report and pay the use tax monthly on the imports of cigarettes. The following instructions are numbered to correspond to the line items of Form G-26.

Form G-26, Line (a) — Use the Worksheet below to calculate the landed value of cigarettes imported into Hawaii.

Form G-26, Line (e) — Enter the landed value of cigarettes imported into Oahu. Section 238-2.6, HRS, allows a county in Hawaii to impose a county surcharge on state tax of not more than 0.5% of the value of property and services taxable under chapter 238, HRS, that is imported from out-of-state into a county imposing the tax. At present, only imports into the County of Honolulu (Oahu) are subject to tax.

Form G-26, Line (j) — Section 238-3(i), HRS, allows a credit against the Hawaii use tax for the combined amount of sales or use taxes imposed by and paid to another state (or any subdivision thereof) on tangible personal property, services or contracting before it is imported into Hawaii. Accordingly, a taxpayer may receive a credit up to the amount of Hawaii use tax due (4% of the landed value of the cigarettes, or 4.5% of the landed value of the cigarettes if imported into Oahu) for any sales or use taxes paid by the taxpayer to another state upon the purchase or use of the cigarettes. The calculation of the credit shall not include any other taxes paid to other states. The amount of credit also shall not exceed the amount of use tax imposed by Hawaii on the cigarettes.

Form G-26, Line (m) — Attach your check or money order for this amount payable to "Hawaii State Tax Collector" in U.S. dollars drawn on any U.S. bank to Form G-26.

USE TAX COMPUTATION WORKSHEET FOR LANDED VALUE OF CIGARETTES

1. Cost of the cigarettes. (Usually the invoice price paid by the purchaser, including any retail sales tax paid to another state or local government.)	_____
2. Freight charges.	_____
3. Insurance costs.	_____
4. Customs duty (if any).	_____
5. Any other charges incident to landing the cigarettes in Hawaii.....	_____
6. Total costs. (Add lines 1 through 5.).....	_____
7. Retail sales tax paid to another state.	_____
8. Other adjustments. (Attach schedule).....	_____
9. Add line 7 and line 8.....	_____
10. Landed value of cigarettes. (Line 6 minus line 9.) Enter here and on Form G-26, column (a).	=====