

DEPARTMENT OF FINANCE

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COUNTY OF KAUA'I TRANSIENT ACCOMMODATIONS TAX ANNOUNCEMENT NO. 2022-01

January 24, 2022

RE: Annual Reconciliation and Payments for Tax Year Ending December 31, 2021

The purpose of this Announcement is to provide additional information on the annual reconciliation (State Form TA-2) and payment of the Kaua'i County Transient Accommodations Tax (KTAT).

Tax Return Filing

Like Form TA-1, taxpayers who are subject to the KTAT will only need to file State Form TA-2 with the State of Hawai'i Department of Taxation. Forms TA-1 and TA-2 do not need to be filed separately with the County of Kaua'i Department of Finance.

KTAT Payments Based on State Form TA-2

The State Form TA-2 for calendar year 2021 is due on April 20, 2022, however, imposition of the KTAT began on October 1, 2021, thus, only the gross rental proceeds and fair market rental value reported for October through December of 2021 is subject to the KTAT.

For taxpayers that did not report any additional gross rental proceeds or fair market rental value on State Form TA-2 that should have been reported on State Form TA-1 for the months of October through December of 2021, an additional KTAT payment is not required.

For taxpayers that reported additional gross rental proceeds or fair market rental value on State Form TA-2 that should have been reported on State Form TA-1 for the months of October through December of 2021, an additional KTAT payment is required. The KTAT payment due is the additional gross rental proceeds and fair market rental value multiplied by 3 percent. The deadline to make the KTAT payment is April 20, 2022.

How to Make a KTAT Payment

KTAT payments must be made using the County's payment portal website, Directbiller. For payments due based on State Form TA-2 filings as described in this Announcement, please select 'TA-2' from the drop-down box under 'Type of Return'.

KTAT Refunds Claimed on State Form TA-2

For taxpayers that reported a reduction in gross rental proceeds or fair market rental value on State Form TA-2 that was previously reported on State Form TA-1 for the months of October through December of 2021, please contact the KTAT office to receive further instructions. Please note that you may be asked to submit evidence substantiating your refund claim.

For more information, please visit our website at www.kauai.gov/tat or contact the KTAT Office at (808)241-1980. DOTAX will not be able to answer any questions regarding the KTAT.