

## Income/Franchise:

### Hawaii: New Law Updates State Conformity to Internal Revenue Code

*H.B. 1041*, signed by gov. 6/25/21. Effective immediately, new law updates statutory references to the Internal Revenue Code (IRC), providing that for taxable years beginning after December 31, 2020, references to the IRC in Hawaii income tax laws (including state corporate income tax laws) generally refer to the federal law in effect as amended as of December 31, 2020 (previously, March 27, 2020). The legislation also addresses the state treatment of some provisions under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (*i.e.*, P.L. 116-136) and Consolidated Appropriations Act, 2021 (*i.e.*, P.L. 116-260). Note that Hawaii continues to decouple from some specified IRC sections. Please contact us with any questions.

**URL:** [https://www.capitol.hawaii.gov/measure\\_indiv.aspx?billtype=HB&billnumber=1041&year=2021](https://www.capitol.hawaii.gov/measure_indiv.aspx?billtype=HB&billnumber=1041&year=2021)

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