WHEREAS, tax fraud is the willful attempt to evade or defraud state and federal tax laws and codes; and

WHEREAS, tax fraud occurs when a person, sole proprietor or company intentionally fails to file an income tax return, willfully fails to pay taxes or intentionally underreports income; and

WHEREAS, tax fraud takes on many forms, such as paying workers off the books, deliberately misclassifying employees as independent contractors, utilizing illegal labor brokers, and skimping on overtime, workers’ compensation and other required coverages and payments; and

WHEREAS, tax fraud costs the government billions of dollars in tax revenue, hurts honest employers and weakens consumer protection; and

WHEREAS, the assessment of millions of dollars in fines, damages, back wages and unpaid taxes in Hawai‘i is attributed to numerous incidents of tax fraud, particularly in the construction industry; and

WHEREAS, contractors and employers who knowingly engage in illegal or unprincipled behaviors can gain a significant unfair bidding advantage over honest employers; and

WHEREAS, the jobs and productivity of union workers are undermined and undervalued when the playing field for contract bids are unfairly skewed by dishonest employers; and

WHEREAS, tax fraud not only harms hardworking and honest employers, union members and independent contractors but also results in shrinking public revenues which could otherwise be used to fund important community priorities;

THEREFORE I, DAVID Y. IGE, Governor, and I, JOSHUA B. GREEN, Lieutenant Governor of the State of Hawai‘i, do hereby proclaim April 15, 2019 as “TAX FRAUD AWARENESS DAY”

in Hawai‘i and ask the people of the Aloha State to join us in raising awareness of tax fraud, particularly in the construction industry, and to promote the use of licensed businesses and contractors to avoid tax fraud and increase consumer protection, and also to encourage all employers and the self-employed to utilize best practices.

Done at the State Capitol, in Executive Chambers, Honolulu, State of Hawai‘i, this fifth day of April 2019.

JOSHUA B. GREEN
Lieutenant Governor, State of Hawai‘i

DAVID Y. IGE
Governor, State of Hawai‘i