

STATE OF HAWAII—DEPARTMENT OF TAXATION  
**APPLICATION FOR TENTATIVE REFUND OF WITHHOLDING  
ON DISPOSITIONS BY NONRESIDENT PERSONS OF HAWAII  
REAL PROPERTY INTERESTS**

THIS SPACE FOR DATE RECEIVED STAMP



NCF161

For calendar year **2017**  
or other tax year beginning ● \_\_\_\_\_, 2017  
and ending ● \_\_\_\_\_, 20\_\_\_\_\_

(NOTE: References to "married" and "spouse" are also references to "in a civil union" and "civil union partner," respectively.)

NOTE: DO NOT file this form unless you have received notification from the Department of Taxation that we have received your withholding payment.

Name (If joint return, give first names and initials of both) ● _____	Last Name ● _____	● Your Social Security Number _____
Name (Corporation, Partnership, Trust, or Estate) ● _____		● Spouse's Social Security Number _____
Trade Name/Doing Business As (DBA) Name or C/O ● _____		● Federal Employer I.D. No. _____
Address (number and street) ● _____		Daytime Phone No. (    ) _____
City, State, and Postal/ZIP Code (province, postal code, and country) ● _____		

Description of Hawaii real property transaction:

a. Date of transfer (month, day, year) \_\_\_\_\_

b. Location and general description of property \_\_\_\_\_

**Check only ONE box:**  
 Individual  
 Others (Corporation, Partnership, Trust, or Estate)

c. Tax map key number \_\_\_\_\_

Was the property used at anytime as a rental? **Yes**  **No**  If yes, enter your Hawaii Tax I.D. Number: **GE** \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ and indicate the start date and end date of the rental activity: (month, day, year) \_\_\_\_\_ to (month, day, year) \_\_\_\_\_

1. Enter the amount withheld on Form N-288A. (Attach a copy of Form N-288A) .....	<b>1</b>	
2. Sales price .....	<b>2</b>	
3. Cost or other basis (see Instructions) .....	<b>3</b>	
4. Gain. Line 2 minus line 3 (see Instructions for installment sales) .....	<b>4</b>	
5. Enter the tentative tax on the gain (see Instructions).....	<b>5</b>	
6. <b>REFUND</b> of amount withheld. Line 1 minus line 5. <b>(This line MUST be filled in.)</b> .....	<b>6</b>	

**Please Sign Here**

I hereby declare under penalties provided by section 231-36, HRS, that I have examined this application and accompanying attachments, and, to the best of my knowledge and belief, they are true, correct, and complete.

● \_\_\_\_\_  
Signature Title (If applicable) Date

● \_\_\_\_\_  
Signature Title (If applicable) Date

**MAILING ADDRESS**  
HAWAII DEPARTMENT OF TAXATION  
P. O. BOX 1530  
HONOLULU, HAWAII 96806-1530

**General Instructions**

**Purpose of Form**

Use Form N-288C to apply for a refund of the amount withheld on dispositions by nonresident persons of Hawaii real property interests which is in excess of the transferor/seller's tax liability for the transaction. Form N-288C should be filed if the Hawaii income tax return (Form N-15, N-20, N-30, N-35, or N-40) for the year is not yet available. If available, the transferor/seller should file the appropriate tax return instead of filing Form N-288C. Also, Form N-288C will be rejected if it is filed after the due date of the tax return.

**IMPORTANT: If Form N-288C was filed, the transferor/seller must still file a Hawaii income tax return (Form N-15, N-20, N-30, N-35, or N-40) after the end of the taxable year, report the entire income for the year (from other sources as well as the transaction), and pay any additional tax due on the income or request a refund.**

**Who May File an Application**

The transferor/seller may file Form N-288C.

**NOTE: Under Section 235-111, Hawaii Revised Statutes, any claim for credit or refund**

*of an overpayment of taxes must be filed within three years from the due date of the return, or within two years from the time the tax was paid, whichever is later.*

**Where to Send Form N-288C**

File Form N-288C with the Hawaii Department of Taxation (Department). See the front of the form for the mailing address.

**Specific Instructions**

**NOTE: Before you begin to fill in Form N-288C, you should review the notification you received from the Department that we have received your withholding payment to make sure that the information contained in it is correct. If any information is not correct, please return a copy of the notification to the Department with the corrected information.**

At the top of Form N-288C, enter the taxable year of the transferor/seller if it is other than a calendar year.

Also, enter the name, address, and identification number (social security number or federal employer I.D. number), if any, of the transferor/seller applying for a refund of the amount withheld. The name and identification number entered **MUST** be the same as the name and identification number entered for the transferor/seller on Form N-288A, or as corrected

on the copy of the notification you returned to the Department. If the transferor/seller was issued an individual taxpayer identification number (ITIN) by the IRS, enter the ITIN. If the individual has applied for an ITIN but the IRS has not yet issued the ITIN, write "Applied For".

Also, enter the information describing the Hawaii real property transaction. In b, enter the address and description of the property. In c, enter the tax map key number.

**Line 2.** Enter the gross sales price from the sale. Attach a copy of your closing escrow statement from your sale of this property.

**Line 3.** In general, the cost or adjusted basis is the cost of the property plus purchase commissions and improvements, minus depreciation (if applicable). Increase the cost or other basis by any expense of sale, such as commissions and state transfer taxes. Do not include any carryforward losses, net operating losses or suspended passive activity losses. Complete the *Computation of cost or other basis* worksheet below and enter the amount from line 4 of the worksheet to the front of Form N-288C, line 3.

**Line 4.** Line 2 minus line 3. If you are reporting the gain under the installment method, attach a separate sheet showing the principal payments received during the taxable year and the gross profit percentage. Multiply the amount of the principal payments by the gross profit percentage and enter the result on line 4.

**Line 5.** If you are a C corporation, multiply line 4 by 4% and enter the result on line 5. If you are a person other than a C corporation, you must use the tax rate schedules to the left to determine the amount to enter on line 5.

**Note:** These tax rates apply to long-term capital gains. For short-term capital gains, use the tax rates in the 2016 income tax booklets to determine the amount to enter on line 5.

For partnerships, S corporations, trusts, or estates, the gain on line 4 must be allocated among each partner or member, S corporation shareholder, or beneficiary of the trust or estate (member). Calculate the tax liability for each member. Enter the total tax liability of all members on line 5. Attach a schedule showing the name, identification number, and the amount of gain and tax liability allocated to each member. Also, show the computation of the tax liability for each member.

**Signature**

Form N-288C must be signed by an individual, a responsible corporate officer, a member or general partner of a partnership, or a trustee, executor, or other fiduciary of a trust or estate or by an authorized agent with a power of attorney. If you file your income tax return as married filing a joint return, your spouse must also sign this form.

**NOTE: Incomplete forms will be returned to the transferor/seller. Please fill out all items.**

**2017 Tax Rate Schedules**

**Schedule I**

**SINGLE INDIVIDUALS AND MARRIED INDIVIDUALS FILING SEPARATE RETURNS**

<b>If the taxable income is:</b>	<b>The tax shall be:</b>
Not over \$2,400 .....	1.40% of taxable income
Over \$2,400 but not over \$4,800 .....	\$34.00 plus 3.20% over \$2,400
Over \$4,800 but not over \$9,600 .....	\$110.00 plus 5.50% over \$4,800
Over \$9,600 but not over \$14,400 .....	\$374.00 plus 6.40% over \$9,600
Over \$14,400 but not over \$19,200 .....	\$682.00 plus 6.80% over \$14,400
Over \$19,200 but not over \$24,000 .....	\$1,008.00 plus 7.20% over \$19,200
Over \$24,000 .....	\$1,354.00 plus 7.25% over \$24,000

**Schedule II**

**MARRIED INDIVIDUALS FILING JOINT RETURNS AND CERTAIN WIDOWS AND WIDOWERS**

<b>If the taxable income is:</b>	<b>The tax shall be:</b>
Not over \$4,800 .....	1.40% of taxable income
Over \$4,800 but not over \$9,600 .....	\$67.00 plus 3.20% over \$4,800
Over \$9,600 but not over \$19,200 .....	\$221.00 plus 5.50% over \$9,600
Over \$19,200 but not over \$28,800 .....	\$749.00 plus 6.40% over \$19,200
Over \$28,800 but not over \$38,400 .....	\$1,363.00 plus 6.80% over \$28,800
Over \$38,400 but not over \$48,000 .....	\$2,016.00 plus 7.20% over \$38,400
Over \$48,000 .....	\$2,707.00 plus 7.25% over \$48,000

**Schedule III**

**HEAD OF HOUSEHOLD**

<b>If the taxable income is:</b>	<b>The tax shall be:</b>
Not over \$3,600 .....	1.40% of taxable income
Over \$3,600 but not over \$7,200 .....	\$50.00 plus 3.20% over \$3,600
Over \$7,200 but not over \$14,400 .....	\$166.00 plus 5.50% over \$7,200
Over \$14,400 but not over \$21,600 .....	\$562.00 plus 6.40% over \$14,400
Over \$21,600 but not over \$28,800 .....	\$1,022.00 plus 6.80% over \$21,600
Over \$28,800 but not over \$36,000 .....	\$1,512.00 plus 7.20% over \$28,800
Over \$36,000 .....	\$2,030.00 plus 7.25% over \$36,000

**Computation of cost or other basis worksheet**

1. Purchase price of property		\$ _____
2. Add: Improvements	\$ _____	
Selling expenses	_____	
Other (list) _____	_____	
3. Less: Depreciation	_____	
Other (list) _____	_____	
4. Adjusted basis of property. (Line 1 plus line 2, minus line 3)		\$ _____