



STATE OF HAWAII
DEPARTMENT OF TAXATION
HONOLULU, HAWAII

NOVEMBER 20, 2018

INVITATION FOR BIDS
DOTAX-IFB-FY-2019-01a

FOR THE ASSEMBLY AND DISTRIBUTION OF

2019 GENERAL EXCISE/USE (GE) TAX PACKETS
2019 TRANSIENT ACCOMMODATIONS (TA) TAX PACKETS
2019 WITHHOLDING (WH) TAX PACKETS

*WITH THE OPTION OF EXTENDING FOR NOT MORE THAN TWO (2)
ADDITIONAL TWELVE MONTH (12) PERIODS UPON MUTUAL AGREEMENT*

Offers shall be received via the Hawaii State eProcurement System (HIePRO) no later than the date and time stated on HIePRO and must be submitted in strict accordance with the instruction therein.

Questions relating to this bid solicitation may be directed to Mr. Dexter Suzuki, phone 587-1500.

The Department of Taxation reserves the right to reject any or all bids and waive any defects when such rejection will be in the best interest of the public.

Dexter Suzuki
Administrative Services Officer
Administrative Services Office

INSTRUCTIONS TO BIDDERS

1. All bids shall be made on the Offer Form furnished by the Department of Taxation (the Department) and shall be signed by the Bidder with the Bidder's business address and telephone number. The Bidder is requested to submit its bid using the Bidder's exact legal name as registered with the Department of Commerce and Consumer Affairs. NO SUBSTITUTIONS OF MATERIALS OR ITEMS NOT EXPRESSLY PROVIDED FOR IN THE SPECIAL PROVISIONS, SPECIFICATIONS, AND GENERAL CONDITIONS WILL BE CONSIDERED OR ACCEPTED.
2. The following must be submitted with your bid. Failure to include certificates listed in A or B below will result in automatic rejection of your bid.

A. A current Certificate of Vendor Compliance obtained through Hawaii Compliance Express <https://vendors.ehawaii.gov/> dated no earlier than one week prior to the offer submission date. There is a nominal charge for obtaining certificates through Hawaii Compliance Express.

OR

B. All of the following three certificates:

1. TAX CLEARANCE CERTIFICATE – A valid tax clearance certificate or current special letter signed by both the Department and the Internal Revenue Service (the IRS) certifying that the bidder does not owe the State of Hawaii and the IRS any delinquent taxes, penalties, or interest must be submitted with all sealed bids. Failure to submit the required tax clearance certificate or special letter will be sufficient grounds for the Department to refuse to receive or consider the prospective bidder's bid.

The tax clearance certificate shall be obtained on the State of Hawaii, Department of Taxation Tax Clearance Application Form A-6 (Rev. 2017) which is available at the Department and IRS' offices in the State of Hawaii or the Department's website, and by mail:

Department of Taxation Website (Forms & Information):	https://tax.hawaii.gov
Department of Taxation Forms:	(808) 587-4242 1-800-222-3229

Completed tax clearance applications may be mailed, faxed, or submitted in person to the Department of Taxation, Taxpayer Services Branch, at the address listed on the application. Facsimile numbers are:

Department of Taxation:	(808) 587-1488	IRS:	(808) 524-5950
-------------------------	----------------	------	----------------

The application for the tax clearance is the responsibility of the successful bidder and must be submitted directly to the Department or the IRS and not to the purchasing agency.

AND

2. DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS CERTIFICATE OF COMPLIANCE (FORM LIR#27)

HRS chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) are required for award.

Instructions are as follows:

Pursuant to §103D-310(c), HRS, the successful bidder shall be required to submit an approved certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by the purchasing agency.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR, form LIR#27, which is available at <https://labor.hawaii.gov> or at the neighbor island DLIR District Offices. The DLIR will return the form to the successful bidder who in turn shall submit it to the purchasing agency.

The application for the certificate is the responsibility of the successful bidder, and must be submitted directly to the DLIR and not to the purchasing agency.

AND

3. DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS CERTIFICATE OF GOOD STANDING

To be eligible for award, the successful bidder must comply as follows:

A business entity referred to as a "Hawaii business", is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, bidder shall submit a CERTIFICATE OF GOOD STANDING. To obtain a CERTIFICATE OF GOOD STANDING, go online to <https://cca.hawaii.gov/breg/> and follow the prompt instructions. To register or to obtain a "Certificate of Good Standing" by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). The "Certificate of Good Standing" is valid for six months from date of issue and must be valid on the date it is received by the purchasing agency. Bidders are advised that there are costs associated with registering and obtaining a "Certificate of Good Standing" from the DCCA.

3. Any bid that contains any erasures or alterations not properly initialed or contains other irregularities may be rejected, if not in the best interest of the State. Any offer that constitutes a conditional bid or a counter proposal will be rejected outright.
4. The bid price shall include all applicable taxes, all transportation, handling, and delivery charges (excluding postage) to the destination indicated in the Specifications and EXHIBIT A, where final inspection and acceptance will be made by a duly authorized representative of the Department.

Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and Contractors are advised that they are liable for the GE Tax and all other applicable taxes. If, however, the Bidder is a person exempt by the HRS from paying the GE Tax and therefore not liable for the taxes on this solicitation, the Bidder shall state its tax-exempt status and cite the HRS chapter or section allowing the exemption.

5. For the purposes of this procurement, unit price shall govern.

6. All bids shall be received via the Hawaii State eProcurement System (HIePRO).
 - A. Costs for developing the proposal are solely the responsibility of the Bidder, whether or not any award results from this solicitation. The State of Hawaii shall not reimburse such costs.
 - B. All proposals become the property of the State of Hawaii.

SPECIAL PROVISIONS

1. BID QUOTATION: Bid prices shall include the printing of ancillary information and collation and distribution (excluding postage) of packets including cost of intelligent mail bar code, cost to ensure compliance with USPS Move Update standards, all applicable taxes, and any other costs incurred.
2. ERROR: Allowance for errors for all forms shall not exceed 1/4 of one percent; however, if the error of forms exceeds the percentage allowed, the Director of Taxation reserves the right to penalize the printer in the amount of ONE HUNDRED DOLLARS (\$100.00) for each erroneous form.
3. ADDITIONAL CHARGES: The Department will not be liable for any incidental additional charges of up to 10 percent (10%) of the contract amount. In addition, the Department will only be liable for those reasonable and necessary additional charges in excess of the 10 percent (10%) incidental charge base, which are approved by the Department. The Contractor must submit a breakdown of these additional charges to the Department.
4. RE-EXECUTION OF WORK: The Contractor shall re-execute any work that fails to conform to the requirements of the contract appearing during the course of the work and shall immediately remedy any defects due to faulty workmanship by the Contractor.
5. TERM OF CONTRACT: The Contractor shall enter into an indefinite quantity contract for the printing and delivering of TAX PACKETS for a twelve (12) month period.
6. OPTION TO RENEW: Unless terminated, the contract may be extended for not more than two (2) additional twelve (12) month periods at bid rates without the necessity of rebidding, upon mutual agreement in writing.
7. CONTRACT EXECUTION: The successful bidder shall be required to enter into a formal written contract. No performance bond will be required.

The Department will issue a notice to proceed, which may be in the form of the contract specifying the commencement date. Any work performed by the successful bidder prior to receipt of a notice to proceed on a fully executed copy of the contract shall be at the successful bidder's own risk and expense. The State is not and shall not be liable for any work, contract costs, expenses, loss of profits or damages whatsoever incurred by the successful bidder prior to the contract commencement date.

8. LIQUIDATED DAMAGES: Refer to item 9 of the General Conditions. Liquidated damages shall be assessed in the amount of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) for each and every calendar day the Contractor fails to perform in whole or in part any of its obligations specified herein.
9. CONFIDENTIALITY OF TAX INFORMATION: The Contractor shall be responsible for the security and confidentiality of any and all tax documents and information. The Contractor fully understands it is unlawful to make known information provided by the Department, including, but not limited to, information imparted by any tax return or estimate so made or to permit tax information, including, but not limited to, information imparted by any tax return or record to be seen or examined by any unauthorized person or to make copies of tax information under either the

Internal Revenue Code of 1986, as amended (26 U.S.C.), or Hawaii law. Any breach of this provision shall be cause for termination of the contract and shall subject the Contractor, its employees, agents, and subcontractors to prosecution as provided by federal and state law.

Any confidential taxpayer information received from the Department will not be electronically transmitted via e-mail or facsimile (fax) between the Department and the Contractor and any outside specialists or other entities engaged by either party.

The Contractor shall return all tax documents and information to the Department with its tax clearance certificate before final payment can be made.

10. TIMELY RESPONSE TO ALL CONTACTS BY THE DEPARTMENT: If Contractor is contacted and is not immediately available, call back to the Department should occur by the end of the same business day or early the following business day.
11. CHANGES IN FORM SPECIFICATIONS: The Department reserves the right to change form specifications from time to time due to changes in tax laws, automation and for other reasons.
12. APPLICABILITY OF HAR §3-124-10, ET SEQ.: All bids submitted will be subject to HAR §3-124-10, et seq., regarding printing, binding and, stationery work.

ASSEMBLY AND DISTRIBUTION OF
PACKETS FOR GE TAX, TA TAX, AND WH TAX
FOR
THE DEPARTMENT OF TAXATION
IFB No. DOTAX-IFB-FY2019-01a

Honorable Linda Chu Takayama
Director of Taxation
State of Hawaii
830 Punchbowl Street, Room 221
Honolulu, Hawaii 96813-2904

Madam:

This bid is made for the printing and distribution to the State of Hawaii, Department of Taxation at the place specified, the items indicated in the Offer Form in accordance with the Specifications attached hereto and made a part hereof.

This bid is made on behalf of:

and no others. Evidence of authority to submit this bid is herewith furnished. This bid is made without collusion on the part of any person, firm, or corporation mentioned above, and no official or employee of the government is directly or indirectly interested in this bid or in the supplies or work to which it relates or in any portion of the profits thereof.

FOR THE ASSEMBLY AND DISTRIBUTION OF GE TAX, TA TAX, AND WH TAX PACKETS

The following bid is hereby submitted:

For the sum of: _____ DOLLARS

(\$_____).

Unit prices are detailed in EXHIBIT C, attached.

The undersigned states that the undersigned has carefully read and understands the terms and conditions specified in the Special Provisions, Specifications, and General Conditions attached hereto, and by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited state contracts; and if awarded the Contract, any services performed will be in accordance with §103-55, HRS.

It is also strictly understood that on such items which the State is exempt from Federal Excise Tax under the Revenue Act of 1943, the bid price shall not include such tax. On such items, an exemption certificate will be furnished to the successful bidder for the use by the manufacturer or manufacturers of each such article in obtaining such exemption.

All work to be performed in the State of _____. If the work cannot be performed within the State of Hawaii or the lowest price which such work can be procured within the State exceeds the bid of a mainland manufacturer of such items by fifteen percent, the work or any part thereof so affected may be performed outside the state (HAR §3-124-11 and 3-124-12).

Enclosed with this bid is a list of the names, addresses, and the scope of the work to be performed by all subcontractors engaged by the bidder. Also included is a list of all locations where work is to be performed.

It is expressly understood that the Director of Taxation reserves the right to accept or reject any or all bids for any or all items of the Bid and that she may waive any defect when such waiver will be in the best interest of the public. It is further understood that any Bid which constitutes a conditional bid or a counter proposal will be rejected outright.

Respectfully submitted,

Date: _____

Exact Legal Name of Bidder

Telephone No.: _____

Authorized Signature

Fax No.: _____

Title

Payment address, if other than
street address at right:

Street Address

City, State, Zip Code

Hawaii Tax I.D. No.: _____

Social Security or Federal I.D. No.: _____

If Bidder shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Bidder is: __ Individual __ Partnership __ Corporation __ Joint Venture __ LLC

State of incorporation: Hawaii _____ *Other _____

*If "other", is corporate seal available in Hawaii? __ Yes __ No.

SPECIFICATIONS

FOR

2019 GENERAL EXCISE/USE TAX PACKETS
2019 TRANSIENT ACCOMMODATIONS TAX PACKETS
2019 WITHHOLDING TAX PACKETS

**STATE OF HAWAII
DEPARTMENT OF TAXATION**

**INSTRUCTIONS, SPECIFICATIONS, AND GENERAL CONDITIONS FOR ASSEMBLY
AND DISTRIBUTION OF:**

**2019 GENERAL EXCISE/USE TAX PACKETS
2019 TRANSIENT ACCOMMODATIONS TAX PACKETS
2019 WITHHOLDING TAX PACKETS**

1. **SCHEDULE:** All packets shall be delivered by the delivery dates in EXHIBIT A and quantities in EXHIBIT B attached hereto and incorporated herein.

The Contractor is responsible for delivering the requested tax packets to the US Post Office on the dates specified.

The schedule, inclusive of finalization of printed material, review cycle times for the Contractor and the Department, and receipt date of printed materials from the Department shall be coordinated with the winning bidder and specified in the scope of the contract. The delivery dates in EXHIBIT A are not negotiable.

2. **QUANTITIES:** See EXHIBIT B.
3. **RETURN ADDRESSES SPECIFIC TO TAX TYPE:** Return addresses will be as follows:

GE TAX PACKET:

HAWAII DEPARTMENT OF TAXATION
PO BOX 1425
HONOLULU, HI 96806-1425

TA TAX PACKET:

HAWAII DEPARTMENT OF TAXATION
PO BOX 2430
HONOLULU, HI 96804-2430

WH TAX PACKET:

HAWAII DEPARTMENT OF TAXATION
PO BOX 3827
HONOLULU, HI 96812-3827

4. **TRANSMITTAL OF MATERIAL TO BE PRINTED:** The Technical Section of the Rules Office of the Department shall provide the Contractor with an electronic file of each packet in a mutually agreed upon format and manner by the date to be set forth in the Contract. A pdf or hard copy of the

Department's choosing shall accompany the first file transmittal to be used by the Contractor as a prototype.

5. **TRANSMITTAL OF PRINTED FORMS:** The Department shall provide the Contractor with the necessary forms to assemble the packets by a date mutually agreed upon and specified in the Contract.
6. **APPROVAL OF PROOFS:** The Technical Section of the Rules office will be responsible to approve all proofs in order for the Contractor to meet all delivery deadlines as set forth in the Contract. Proofs with original copy, paste-ups, blue or brown lines shall be submitted to the Technical Section Supervisor, 830 Punchbowl Street, Room 219, Honolulu, Hawaii 96813-2904. Final proofs shall include a sample of the GE/Use, Withholding, and Transient Accommodations Packets for review.
7. **POSTAL REQUIREMENTS:** Packets must meet United States Postal Service (USPS) requirements for mailing including the imprint of intelligent mail bar code. Packets shall be customized with taxpayer name and address for the purposes of mailing.
8. **TRANSMISSION OF DATA FILES FOR PRINTING VIA FILE TRANSFER PROTOCOL (FTP):** The Information Technology Services Office (ITSO) will FTP data files to the Contractor in a mutually agreed upon format on or before the dates set forth in the Contract. The Contractor must have an FTP Server set up with a secure feature in place, such as firewall, anti-virus, or strong file encryption feature of an FTP software, which must be tested by the Department. The data in the FTP file will contain the Taxpayer's ID number, account suffix code, tax type, name, mailing address (inclusive of street address, city, state, and zip code), domestic indicator, and filing frequency. The extract file record layout will also be provided to the Contractor. A separate extract report will be emailed to the Contractor for billing.
9. **DELIVERY INSTRUCTIONS:** All packets shall be presorted according to USPS requirements and delivered to the following location by the delivery dates in EXHIBIT A:

TO: MAIN POST OFFICE
RODGERS BLVD
HONOLULU, HI 96820

The vendor shall be responsible for coordination of delivery with USPS and shall notify the Department when delivery is expected to enable final inspection by a duly authorized representative.

9. **SPECIFICATIONS FOR GENERAL EXCISE/USE TAX PACKET:**

1. Number of Sheets per Packet:

Filing Frequency	Total Sheets per Packet	Sheets to be Printed by Contractor	Sheets to be Provided by Department
Monthly	17	4	13
Quarterly	9	4	5
Semi-Annual	7	4	3

2. Paper Size: 8-1/2" x 11"
3. Paper Stock: 20# bond, white
4. Duplex printing
5. Color of Ink: Black, 600 dpi

10. SPECIFICATIONS FOR TRANSIENT ACCOMMODATIONS TAX PACKET:

1. Number of Sheets per Packet:

Filing Frequency	Total Sheets per Packet	Sheets to be Printed by Contractor	Sheets to be Provided by Department
Monthly	16	3	13
Quarterly	8	3	5
Semi-Annual	6	3	3

2. Paper Size: 8-1/2" x 11"
3. Paper Stock: 20# bond, white
4. Duplex Printing
5. Color of Ink: Black, 600 dpi

11. SPECIFICATIONS FOR WITHHOLDING TAX PACKET:

1. Number of Sheets per Packet:

Filing Frequency	Total Sheets per Packet	Sheets to be Printed by Contractor	Sheets to be Provided by Department
Quarterly	8	2	6

2. Paper Size: 8-1/2" x 11"
3. Paper Stock: 20# bond, white
4. Duplex Printing
5. Color of Ink: Black, 600 dpi

REQUIRED DELIVERY DATE TO POST OFFICE – EXHIBIT A

GE PACKETS - CALENDAR, FISCAL PRINT JOBS	
MONTHLY	January 11, 2019
QUARTERLY	February 12, 2019
SEMI-ANNUAL	May 13, 2019
TA PACKETS - CALENDAR, FISCAL PRINT JOBS	
MONTHLY	January 11, 2019
QUARTERLY	February 12, 2019
SEMI-ANNUAL	May 13, 2019
WH PACKETS - CALENDAR, FISCAL PRINT JOBS	
QUARTERLY	February 12, 2019

QUANTITY OF FORMS REQUIRED – EXHIBIT B

GE PACKETS - CALENDAR, FISCAL PRINT JOBS	
MONTHLY	4,000
QUARTERLY	3,300
SEMI-ANNUAL	7,500
TA PACKETS - CALENDAR, FISCAL PRINT JOBS	
MONTHLY	350
QUARTERLY	250
SEMI-ANNUAL	200
WH PACKETS - CALENDAR, FISCAL PRINT JOBS	
QUARTERLY	700
TOTAL	16,300

NOTE: Quantities are estimates for the purposes of procurement. Actual amounts may vary based on demand

PRICE QUOTATION WORKSHEET - EXHIBIT C

	TOTAL QUANTITY	COST PER PACKET*	DELIVERY COST EXCLUDING POSTAGE	TOTAL
GE PACKETS – CALENDAR, FISCAL PRINT JOBS				
MONTHLY	4,000			
QUARTERLY	3,300			
SEMI-ANNUAL	7,500			
TA PACKETS – CALENDAR, FISCAL PRINT JOBS				
MONTHLY	350			
QUARTERLY	250			
SEMI-ANNUAL	200			
WH PACKETS – CALENDAR, FISCAL PRINT JOBS				
QUARTERLY	700			
TOTAL	16,300			

*Cost per packet is inclusive of all printing and processing (addressing, collating, envelope, etc.) costs.