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Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 4, 2025

Ms. Marcy Martin, Director
Department of Finance
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Martin:

SUBJECT: **FISCAL YEAR 2026 BUDGET** (BFED-1) (FN-07)

Thank you for participating in the Committee's discussion on April 2, 2025. The Committee respectfully submits the follow-up questions listed below. May I further request that you transmit a written response to bfed.committee@mauicounty.us by **April 9, 2025**.

Please explain how taxes are levied on timeshares and hotels based on ownership.

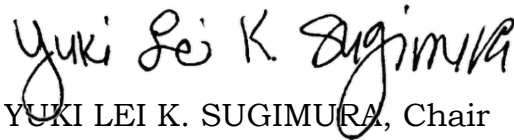
1. As it relates to timeshares: (TP)
 - a. Are timeshares fractionally owned?
 - b. If fractionally owned, how are taxes levied — by unit, by fractional ownership, or by property as a whole?
2. As it relates to hotels: (TP)
 - a. How are taxes levied — by unit or by property as a whole?
 - b. What is the criteria for hotel room units to be taxed under the TVR-STRH classification?

To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

Ms. Marcy Martin
April 4, 2025
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Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7761, Jarret Pascual at ext. 7141, Clarissa MacDonald at ext. 7135, or Pauline Martins at ext. 8039).

Sincerely,

A handwritten signature in black ink that reads "Yuki Lei K. Sugimura". The signature is written in a cursive, flowing style.

YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:2026bgt:250403afn01:jpp

cc: Mayor Richard T. Bissen, Jr.
Budget Director
Deputy Director of Finance
Deputy Corporation Counsel Kristina C. Toshikiyo

BFED Committee

From: BFED Committee
Sent: Friday, April 4, 2025 10:39 AM
To: Marcy Martin
Cc: BFED Committee; Maria Zielinski; Stacey.M.Vinoray@co.maui.hi.us; Lesley Milner; kristina.cabbat@co.maui.hi.us; Janina Agapay; Kristina.C.Toshikiyo@co.maui.hi.us; 'Melody Andrion'; 'Lisa.Kahuhu@co.maui.hi.us'
Subject: FISCAL YEAR 2026 BUDGET (BFED-1) (FN-07); reply by 4/9/25
Attachments: (FN-7) Correspondence to Finance 04-04-2025.pdf

RICHARD T. BISSEN, JR.
Mayor

MARCY MARTIN
Director

MARIA E. ZIELINSKI
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
PHONE: (808) 270-7722
www.MauiCounty.gov

April 8, 2025

Ms. Lesley Milner
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
and Members of the Budget, Finance, and Economic Development Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura and Members:

SUBJECT: FISCAL YEAR 2026 BUDGET (BFED-1) (FN-07)

This transmission is in response your letter dated April 4, 2025, requesting the following information:

Please explain how taxes are levied on timeshares and hotels based on ownership.

1. As it relates to timeshares: (TP)
 - a. Are timeshares fractionally owned?

Response: Generally speaking, the majority of timeshares are fractionally owned. Out of 2,480 units, 1,482 are

APPROVED FOR TRANSMITTAL

Richard T. Bissen Jr 4-9-25

Mayor Date

fractionally owned each having their own parcel. The other 998 units that are not fractionally owned, are owned by three timeshares which are the Maui Bay Villas (Hilton), Nanea (Marriott), and WorldMark (Wyndham).

- b. If fractionally owned, how are taxes levied – by unit, by fractional ownership, or by property as a whole?

Response: All taxable properties are assessed and taxed by parcel. The timeshares that are fractionally owned (1,482) are assessed and taxed individually by units/parcels and the properties that are not fractionally owned (998) are assessed and taxed by the parcel as a whole.

2. As it relates to hotels: (TP)

- a. How are taxes levied – by unit or by property as a whole?

Response: They can be both. Hotel properties that are not subdivided into condominium property regimes (CPR's) are assessed and taxed by the parcel as a whole. Hotel properties that are subdivided into CPRs are assessed and taxed by individual unit/parcel.

- b. What is the criteria for hotel room units to be taxed under the TVR-STRH classification?

Response: Hotel room units can be taxed under the TVR-STRH classification based on the following criteria:

- i. *The property is zoned Hotel.*
- ii. *The property is occupied by transient tenants for periods of less than six consecutive months, have less than eight lodging or dwelling units, and employ not more than twenty full-time persons (MCC 3.48.305 (B) 7).*

*Honorable Yuki Lei K. Sugimura, Chair
and Members of the BFED Committee
Response to BFED-1, FN-07
April 8, 2025
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Should you have any questions, please feel free to contact me or Deputy Director Maria Zielinski at extension 7722.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Marcy Martin', with a stylized flourish at the end.

MARCY MARTIN
Director of Finance

BFED Committee

From: Janina E. Agapay <Janina.E.Agapay@co.maui.hi.us>
Sent: Wednesday, April 9, 2025 9:26 AM
To: BFED Committee
Cc: Lesley J. Milner; Marcy L. Martin; Maria E. Zielinski; Stacey M. Vinoray
Subject: (BFED-1)(FN-07)
Attachments: (BFED-1)(FN-07).pdf

Hello,

Please see attached correspondence (BFED-1)(FN-07).

Thank you,

Janina Agapay

County of Maui | Budget Office

Phone: (808) 270-7836

Email: Janina.E.Agapay@co.maui.hi.us