

## **EDB Committee**

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**From:** Phillip Rathbun <rathbun\_phillip@yahoo.com>  
**Sent:** Wednesday, May 15, 2019 8:39 AM  
**To:** EDB Committee; Keani N. Rawlins  
**Cc:** Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura  
**Subject:** Maui County Budget Hearings - I support fair tax rates

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Members,

We are writing in favor of fair and reasonable tax rates for the vacation rental industry.

Short Terms Rentals are currently taxes at \$9.28/\$1000, the third highest rate, only exceeded by Hotel and Resort and Time Share rates. Increasing the Short Term rental rate too extreme puts an unfair burden on the individual owners of these properties, and the guests of these properties, and can only move to cause harm to the small businesses that depend on the vacation rental industry.

We have a blossoming vacation rental industry on Maui, subject to appropriate restrictions and standards, and a fair existing permitting and taxing process. Short term rentals already comprise 25% of the \$319,516,547 of real property tax revenue compared to 11% for time share, and 7% for hotel and resort. The purpose of the industry is to allow for varied accommodations and experiences for visitors, and to allow small businesses to benefit from tourism.

We are supportive of the Economic Development and Budget Committee's efforts to find a fair and equitable solution for taxing the vacation rental industry that limits any negative implications for the community. Right now short term rentals brings in \$79,500,000 in direct taxable revenue and has created thousands of jobs for our island as well.

As first time homeowners on Maui, we are looking forward to being fulltime residents in a couple of years after we retire from our jobs on the mainland. This has been a dream for many years, since our first visit to Maui in the early 1980's. Until we retire, we have our condo in Kahana Villas rented out to vacationers. We have received many reviews from our guests who are grateful for a condo to vacation in where it feels more like a home than a hotel room. This has turned into a win-win deal for both the renters and for us. If the property tax rate is increased by the 66% you are proposing that would negatively impact our plans and would not be good for the potential renters either, as this increase would have to be passed on to them. There are units in our development that are time shares, but our unit is individually owned and occupied on a part time basis by us, approximately 3-4 weeks each year.

Thank you for considering our testimony and we hope you will think about it as you continue to craft this bill.

Best Regards,

Phillip Rathbun  
Thomas Skeen

## **EDB Committee**

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**From:** Kelly King  
**Sent:** Wednesday, May 15, 2019 12:16 PM  
**To:** EDB Committee  
**Subject:** FW: New Maui Budget

**From:** Ted Wright <tedwright2@yahoo.com>  
**Sent:** Wednesday, May 15, 2019 8:45 AM  
**To:** Kelly King <Kelly.King@mauicounty.us>  
**Subject:** New Maui Budget

Aloha, Please do not pass this bloated budget. The mayor's budget is already a significant increase over last year. Raising budgets too rapidly results in waste and inefficiency. Lets just take this one step at at time and see how effectively the new funds are put to use.

Mahalo,

Ted Wright  
Constituent