

Special Committee on Real Property Tax Reform on 2025-09-16 1:30 PM

Meeting Time: 09-16-25 13:30

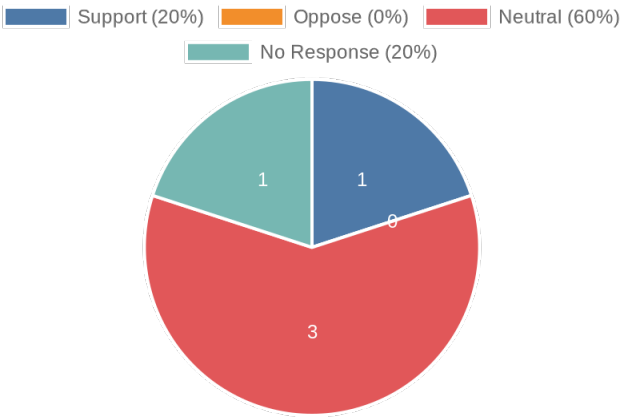
eComments Report

Meetings	Meeting Time	Agenda Items	Comments	Support	Oppose	Neutral
Special Committee on Real Property Tax Reform on 2025-09-16 1:30 PM	09-16-25 13:30	6	5	1	0	3

Sentiments for All Meetings

The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

Overall Sentiment



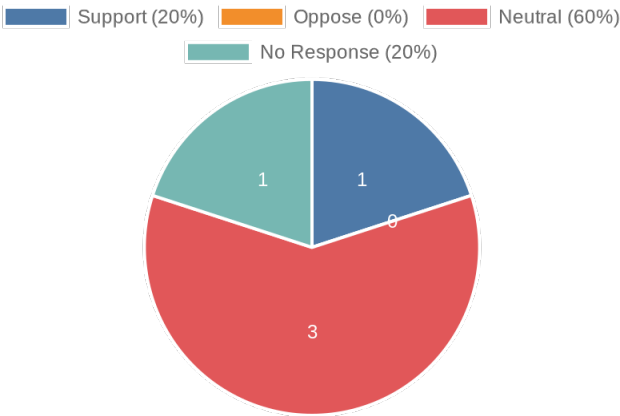
Special Committee on Real Property Tax Reform on 2025-09-16 1:30 PM
09-16-25 13:30

Agenda Name	Comments	Support	Oppose	Neutral
A G E N D A	5	1	0	3

Sentiments for All Agenda Items

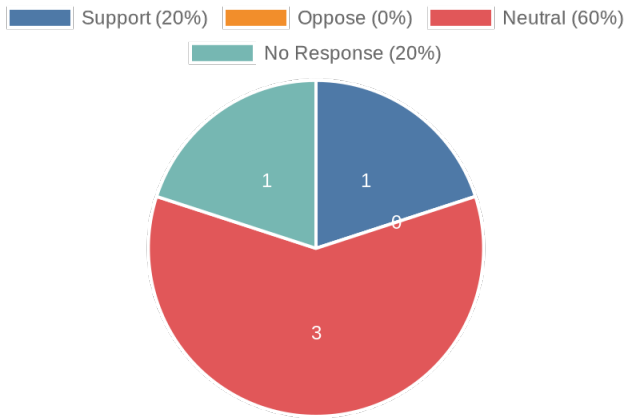
The following graphs display sentiments for comments that have location data. Only locations of users who have commented will be shown.

Overall Sentiment



Agenda Item: eComments for A G E N D A

Overall Sentiment



Guest User

Location:

Submitted At: 2:42pm 09-16-25

Just confirming what I reported earlier, I could not hear any of the testifiers or remote council members, except when CM Sugimura first talked. I could hear Chair Lee and the other speakers in chambers. Never had this issue before.

I am not available tomorrow because I must chair on all day meeting of the PPT BOR .

Guest User

Location:

Submitted At: 12:13pm 09-16-25

Tom Croly should not be a resource to this committee. He has too much personal interest. He successfully lowered his personal property's tax rate by lobbying the council and claiming he didn't have fairness. Tax policy is not about fairness. It's about policy! Prior councils purposely kept the B&B rates high to discourage them. I would not want a B&B next to my residence. Yes, tax them high! It's a business! A business that affects the residential nature of local neighborhoods. He claims it's the same as home offices--baloney.

Lastly, he joined the appeal board to gain insider information and then quit mid-term so he could start a tax consulting business. Red flags all around.

Thomas Croly

Location:

Submitted At: 11:57am 09-16-25

RPT reform committee testimony

Bill 110

Ending the eligibility to qualify for this program is fiscally sound, but this measure should be examined in consideration of the objectives of this program.

Bill 111

I love the goal of the Circuit Breaker ordinance, to make certain that real property tax will not cause someone who is income challenged from losing their home to an excessive Real Property tax burden. The key is making sure this program is serving those intended and is not allowed to be abused by those who could manipulate their annual income to make use of it when they are actually not in need. I think the director's proposal is warranted because it can be challenging for some seniors to even meet the statutory documentation needed to qualify and this would unburden them, and the staff in many cases. However, I would suggest putting in an additional restriction besides age to qualify for this simplified application process, and that would be the amount of the Circuit breaker credit.

Since the average circuit breaker credit is less than \$1000, I might suggest adding a requirement that the credit be less than \$2000 to qualify for this simplified application process. For the 2025/26 fiscal year, additional provision would exclude 18 properties from this simplified application process.

Bill 113

This measure is an attempt to address the larger problem of incorrect classification suffering as much as an 18 month delay in being rectified either because of missing a filing deadline or because of a change of use during the tax year. I believe this measure fails in addressing these issues and makes things even more complicated. While these issues deserve the greatest consideration by this committee, I do not support this approach and would like the committee to explore other solutions to addressing these issues.

The tax amounts shown below show how much difference in tax bill there can be between the same valued property being classified in the various classifications. And some properties are miss-classified for up to 18 months.

\$600,000 assessment

Owner occupied w/Long term rental \$330

Owner Occupied(\$300k exemption) \$495

Long Term Rental(\$200k Exemption) \$1,180

Non Owner Occupied. \$3,522

STR/TVR. \$7,500

\$1,000,000 assessment

Owner occupied w/Long term rental \$990

Owner Occupied(\$300k exemption) \$1,155

Long Term Rental(\$200k Exemption) \$2,360

Non Owner Occupied. \$5,870

STR/TVR. \$12,500

\$2,000,000 assessment

Owner occupied w/Long term rental \$2,685

Owner Occupied(\$300k exemption) \$2,865

Long Term Rental(\$200k Exemption) \$6,335

Non Owner Occupied. \$14,470

STR/TVR. \$26,500

\$5,000,000 assessment

Owner occupied w/Long term rental \$8,480

Owner Occupied(\$300k exemption) \$9,055

Long Term Rental(\$200k Exemption) \$11,450

Non Owner Occupied. \$57,070

STR/TVR. \$71,600

Bill 114

I support this measure to provide clarity in the code as to the taxation of these leased lands.

Jonathan Helton

Location:

Submitted At: 8:16am 09-16-25

Please see attached.

Guest User

Location:

Submitted At: 9:46am 09-15-25

Aloha kakou.

Mahalo for undertaking this important but complex project. You may not get it all done in one fiscal year, but that's alright.

I want to give you some of my comments in writing, before your first meeting Wednesday afternoon. I think you all know, but for the record, I am currently Chair of the RPT BOR, and during the three years I was Chair of the COGC, we investigated RPT policy options and produced a formal report of our findings and recommendations on policy options for consideration exactly 3 years ago. Evan Dust was a commissioner then and provided valuable amendments and edits to the final product, which the COGC approved unanimously. It is a huge document, with all the exhibits, but readily available on the COGC website.

Here are my comments on the four bills on the agenda.

110 This caps eligibility for Aina Kupuna relief as of 12/31/45. Good idea.

111 This relaxes documentation requirements for Circuit Breaker for owners >77 yrs old. Good idea.

(No 112, unexplained)

113 This proposal relaxes deadlines for claiming OO or LTR classification and exemptions, on a new deadline of 9/30. Why not make it a requirement of filing an appeal by April 9, and to submit the new documents by May 15? The late filing penalties are ok, but probably need input from the public and other prior BOR members. But no need to give the neglectful owner more time than May 15 to qualify. Qualification depends in both instances on documents already in existence by 12/31 of the prior year. Also, Tom Croly in his written submission acknowledges the problem, a surprising increase in taxes due, in the notice the PO gets in mid-March. They are upset when they learn they would qualify for lower taxes if they had filed on time. In the two years of appeals I've heard, this is a frequent basis for appeal. These surprised owners file an appeal by April 9, or they talk to their assessor and learn that no such appeal can be granted, neither by RPAD or BOR. Tom proposes that the BOR be given discretion to grant relief. But not all of those affected file appeals. How late would the BOR be able to extend the deadline, and for what excuses for the late filings? Clear rules would be better.

114 Extends RPT exemption to lessees on DHHL parcels with improvements. Good idea.

I have two additional topics for you to consider:

The first is that with the invaluable assistance of Marcy Martin and Kari Stockwell, and their team of statistical policy analysts, Maui Tomorrow has hired a consultant to produce a tool you and the administration, and anyone else, can use to see the RPT revenue effects of any hypothetical changes to the two tier thresholds in each class of property, and at the same time, see the effect of any hypothetical rate changes for each tier. The new revenue results of the hypothetical new tiers and rates are available instantaneously.

This tool will use only data from RPAD already publicly available.

The second is that I believe one of the issues you must deal with is whether to continue the large discrepancy between how vacant land, with no structures, is taxed in the Lahaina burn zone and parcels only a half mile away in Launiupoko, or just north and mauka of the burn zone. Many of the vacant parcels in the burn zone, had their land separately assessed at more than \$2 million before the fire. This topic merits a long discussion, but if you want RPAD to assess the currently exempt lots, the sooner they know the better.

I am happy to discuss all of this with you if I can be of help.

Aloha.

Michael Williams

Sept. 16, 2025, 1:30 p.m.

Kalana O Maui Building

To: Maui County Council, Special Committee on Real Property Tax Reform

Alice Lee, Chair

Keani Rawlins-Fernandez, Vice Chair

From: Grassroot Institute of Hawaii

Jonathan Helton, Policy Analyst

Re: REAL PROPERTY TAX REFORM

Aloha Chair Lee, Vice Chair Rawlins-Fernandez and other members of the Committee,

The Grassroot Institute of Hawaii offers **comments** on Maui's property tax system, including the bills already proposed in this committee, which has been established to review Maui's property tax system and make recommendations on how to reform it.

In general, Grassroot believes that Maui's property tax system should strive to minimize tax burdens and ensure transparency and fairness to all taxpayers.

For context, Maui property taxes have increased significantly over the past decade. In fiscal year 2016, the County collected \$254 million in property taxes.¹ For fiscal year 2026 the County is expected to take in almost \$660 million² — a 91% increase, even when accounting for inflation.³

Maui's tax system is also complicated, and many parts are outdated. For example, it appears that the County still relies on a 40-year-old document to help guide its assessment of agricultural land⁴ — no doubt causing discrepancies in how some parcels are valued and taxed.

¹ ["County of Maui Real Property Tax Valuation for Fiscal Year 2015 - 2016,"](#) Technical Branch, Real Property Assessment Division, Honolulu Department of Budget and Fiscal Services.

² ["County of Maui Real Property Tax Valuation for Fiscal Year 2025 - 2026,"](#) Technical Branch, Real Property Assessment Division, Honolulu Department of Budget and Fiscal Services, July 2025.

³ ["CPI Inflation Calculator,"](#) U.S. Bureau of Labor Statistics, comparing July 2015 and July 2025.

⁴ ["Rules and Regulations of the Director of Finance Relating to the Assessment of Agricultural Lands and the Imposition of the Deferred Tax Under Section 3.48.325; Maui County Code,"](#) Maui Department of Finance, Sept. 21, 1981.

Grassroot encourages the Committee to revisit its policies regarding the valuation and taxation of agricultural land with the goal of improving fairness and transparency, while keeping the tax burden low for all farmers and ranchers.

Grassroot takes no position at this time on the bills on the Committee's agenda — except for [Bill 113 \(2025\)](#), which would allow Maui property owners who file for the long-term rental or home exemptions to obtain partial tax relief if they file after the Dec. 31 deadline and before Sept. 30 of the next year.

Grassroot supports this measure because there are many situations in which an owner might forget to file before the deadline. Some Maui property owners simply do not know that the County offers these tax-relief programs. Others might purchase a home or start using a property as a long-rental halfway through the year and would like to avoid the high taxes they could otherwise face if the property were classified as short-term rental or non-owner occupied.

Grassroot will continue to evaluate the proposals submitted to this Committee, and we would welcome dialogue about other reforms the committee could propose to improve Maui's tax system.

Thank you for the opportunity to testify.

Jonathan Helton
Policy Analyst
Grassroot Institute of Hawaii