

ORDINANCE NO. _____

BILL NO. 145 (2025)

A BILL FOR AN ORDINANCE ADDING A NEW SECTION TO CHAPTER 3.48,
MAUI COUNTY CODE, ESTABLISHING AN EXEMPTION FOR VACANT
LANDOWNERS ON THE UPCOUNTRY WATER SERVICE PRIORITY LIST

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. This Ordinance's purpose is to establish an exemption for vacant landowners who are on the Department of Water Supply's Upcountry Water Service Priority List. The list was established to fairly allocate water meters in an area with water-infrastructure constraints. As of January 2025, there were over 1,400 properties on the list, with some dating back to 2003. Property owners on the priority list are subject to higher real property taxes. Granting tax relief specifically to those on this longstanding list acknowledges their patience and hardship.

SECTION 2. Chapter 3.48, Maui County Code is amended by adding a new section to be appropriately designated and to read as follows:

"3.48.463 Vacant property on the upcountry water service priority list. A. Vacant real property on the upcountry water service priority list as defined in section 14.13.030 is exempt from property taxes for tax years beginning on or after July 1, 2026, to following extent:

1. Totally exempt where the value of the property is up to \$50,000; or

2. Where the property is in excess of \$50,000, the exemption is \$50,000.

B. Subsection A's exemption is not allowed for the following:

1. A corporation, partnership, or company.

2. On more than one parcel for a taxpayer.
3. For real property classified as "commercialized residential" or "TVR-STRH."

4. For real property on which taxes are delinquent for a period of more than one year.

C. If during the course of a tax year subsection A's exemption is revoked for a parcel, the taxes for the entire tax year must be recalculated without the exemption."

D. No exemption may be granted under this section unless an application for exemption is filed with the department. Applications must be submitted by December 31 immediately preceding the tax year for which an exemption is claimed. A new application must be filed for each tax year for which an exemption is claimed.

E. The director of water supply must provide the director of finance with an updated upcountry water service priority list every six months."

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui

paf:pah:25-233d

INTRODUCED BY:

Yuki Lei K. Sugimura

YUKI LEI K. SUGIMURA