

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
www.mauicounty.gov

September 8, 2025

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

APPROVED FOR TRANSMITTAL


Acting Mayor **9-8-25**
Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Members of the Special Committee on Real Property Tax Reform
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee:

SUBJECT: BILL 111 (2025), ON THE CIRCUIT BREAKER TAX CREDIT (RPTR-3)

This transmission is in response to your letter dated September 4, 2025, requesting responses to the following questions relating to Bill 111 (2025), On the Circuit Breaker Tax Credit.

1. Related to the program scope and impact:

a. What is the total value of circuit breaker tax credits provided in calendar year 2025?

Response: The total value of circuit breaker tax credits provided in calendar year 2025 is \$385,718. This figure is included in the annual real property tax certification. Circuit Breaker statistics are also included in the annual Selected Real Property Statistics for Budget Consideration. For FY 2025-2026, the charts are on pages 25 and 26.

September 8, 2025

Page 2

- b. What is the average annual value of circuit breaker tax credits over the past five years?

Response: Over the past five years, the average annual value of circuit breaker tax credits is \$383,484. Circuit Breaker statistics are included in the annual Selected Real Property Statistics for Budget Consideration. Historical Circuit Breaker totals are on page 25 for FY 2025-2026.

- c. How many homeowners are receiving the circuit breaker tax credit in calendar year 2025?

Response: As stated in the August 7, 2025, transmittal with the subject, "A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.820, MAUI COUNTY CODE, RELATING TO THE CIRCUIT BREAKER TAX CREDIT," there are 405 homeowners receiving the circuit breaker tax credit in calendar year 2025. This data is also included on page 25 of the FY 2025-2026 Selected Real Property Statistics for Budget Consideration.

- d. On average, how many new applicants qualify for the circuit breaker tax credit each year?

Response: The Circuit Breaker tax relief program has an annual application requirement. Over the past five years, the average number of new applicants qualified for the circuit breaker tax credit is 460.

Year	Qualified Applicants	CB Tax Credit
2021	520	475,132
2022	531	446,413
2023	442	316,318
2024	400	293,838
2025	405	385,718
Average	460	383,484

Honorable Alice L. Lee, Chair
and Members of the Special Committee on Real Property Tax Reform

September 8, 2025

Page 3

2. How will the Department confirm the accuracy of affidavit submissions and will audits or spot checks be conducted? Please explain.

Response: The applicant will be at least 78 years of age and had previously qualified for Circuit Breaker at least three of the last six years so the department will have at least three years of tax returns from the applicant to look back on. The assumption is that when an applicant is at least 78 years old, income is relatively stable. Additionally, the applicant will need to have signed the affidavit that they qualify for circuit breaker. As with all tax relief programs, compliance should be conducted when warranted.

3. What types of outreach has the Department planned to ensure qualifying homeowners are aware of the affidavit form option?

Response: It is estimated that approximately 162 of the 405 applicants receiving Circuit Breaker will become eligible to sign the affidavit in lieu of submitting a tax return. Circuit Breaker applications must be filed annually. The filing form will be changed to reflect the affidavit option so all applicants will be made aware of the changes. The RPAD can also add an information page to the Circuit Breaker application bringing attention to the change.

Should you have any questions, please feel free to contact me or Deputy Director Maria Zielinski at extension 7722.

Sincerely,



MARCY MARTIN
Director of Finance

mm:em:ks

RPTR Committee

From: Michelle L. Santos <Michelle.Santos@co.maui.hi.us>
Sent: Tuesday, September 9, 2025 8:04 AM
To: RPTR Committee
Cc: Cynthia E. Sasada; Didi A. Hamai; Erin A. Wade; Josiah K. Nishita; Kelii P. Nahooikaika; Marcy L. Martin; Maria E. Zielinski; Stacey M. Vinoray
Subject: MT#11215 Bill 111 (2025), ON THE CIRCUIT BREAKER TAX CREDIT (RPTR-3)
Attachments: MT#11215-RPTR Committee.pdf