

ORDINANCE NO. \_\_\_\_\_

BILL NO. 171, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY  
CODE, EXTENDING MAUI WILDFIRES REAL PROPERTY TAX RELIEF

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

SECTION 1. More than two years after the August 2023 Maui wildfires, recovery has not progressed at a rapid pace. As of October 2025, 515 building permits have been issued, 290 homes are under construction, and 83 homes have been rebuilt in Lahaina and Upcountry, but no commercial properties have been rebuilt and occupied. Property owners continue to face ongoing hardship with recovery. This Ordinance's purpose is to extend real property tax relief for property owners still impacted by the August 2023 Maui wildfires.

SECTION 2. Section 3.48.230, Maui County Code, is amended to read as follows:

**“3.48.230 Damage or destruction by disaster.** A. When real property is damaged or destroyed because of a tidal wave, earthquake, volcanic eruption, hurricane, fire, or other disaster as defined in section 127A-2, Hawai‘i Revised Statutes, or because of floodwaters overflowing the banks or walls of a river or stream, the director may remit taxes due on the property[, to the extent and] in the following manner [set forth as follows]:

1. The director must determine [whether] if the property was either: a) wholly destroyed[,]; or [was] b) partially destroyed or damaged[,]; and in the latter event must determine what percentage of the value of the whole property was destroyed or otherwise lost by [reason of] the disaster[.] or floodwaters overflowing.

2. If the property was wholly destroyed, the amount remitted must be the portion of the total tax on the property

for the tax year in which the destruction occurred constituting the portion of the tax year remaining after the destruction.

3. If the property was partially destroyed or [was] damaged, the percentage of the value destroyed or otherwise lost[, determined as provided in subsection A,] must be applied to the total tax on the property, and of the amount of tax so determined there must be remitted the portion constituting the portion of the tax year remaining after the partial destruction or damage.

4. An application for a remission of taxes under this section must be filed with the director on or before June [30<sup>th</sup>] 30 of the tax year involved, or within [sixty] 60 days after the occurrence of the disaster, whichever is later. Any amount of taxes authorized to be remitted by this section[, which] that has been paid[, ] must be refunded upon proper application out of real property tax collections.

B. Real property that was completely destroyed by the August 2023 Maui wildfires, as determined by the director, is exempt from real property taxes, including the minimum real property tax, through June 30, 2026.

C. Real property that is located in a red or yellow reentry zone in Lahaina, as established by the County following the August 2023 Maui wildfires in its reentry map of impacted areas, or for which access was restricted to certain hours by the government as of November 15, 2023, is exempt from real property taxes, including the minimum real property tax, for the period July 1, 2023, through June 30, 2024.

D. Real property that was located in a red or yellow reentry zone in Lahaina, as established by the County following the August 2023 Maui wildfires in its reentry map of impacted areas, or for which access was restricted to certain hours by the government, as determined by the director as of January 1, 2024, is exempt from real property taxes, including the minimum real property tax, for the period July 1, 2024, through June 30, 2026.

E. Real property that was located in a Lahaina reentry zone, as established by the County following the August 2023 Maui wildfires in its reentry map of impacted areas, is exempt from real property taxes, including the minimum real property tax, for the period July 1, 2026, through June 30, 2028; if the real property is not occupied and:

1. Is located where occupancy is prevented because of the status of public infrastructure or utilities;

2. Was completely destroyed by the August 2023 Maui wildfires and the property remains vacant; or

3. Was issued a building permit to repair or rebuild improvements after August 8, 2023, but has not received a final inspection approval."

SECTION 3. Section 3.48.415, Maui County Code, is amended by amending Subsection B to read as follows:

"B. Exemptions that were in effect for tax year 2024, where improvements were destroyed, damaged, or made inaccessible by the August 2023 Maui wildfires, must remain in effect through December 31, [2026,] 2028, under the following circumstances:

1. The parcel does not sell in an arm's length transaction.

2. The applicant for an exemption under section 3.48.450 does not apply for another exemption on any principal home.

3. The applicant for an exemption under section 3.48.475 does not apply for another exemption for a home, as defined in that section.

4. The parcel qualified for the exemption between January 1, 2023, and August 8, 2023.

5. The exemption is not subject to disallowance under section 3.48.430[; except that a].

A qualifying exemption under section 3.48.450 or 3.48.475 is transferable to another property in the County that is acquired by a deed recorded before January 1, 2025, for the 2025 tax year only, if the applicant makes a request for the transfer by December 31, 2024."

SECTION 4. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 5. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND LEGALITY:



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KRISTIE M. WRIGGLESWORTH FOR  
KRISTINA C. TOSHIKIYO  
Department of the Corporation Counsel  
County of Maui

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INTRODUCED BY:

Yuki Lei K. Sugimura  
YUKI LEI K. SUGIMURA

DIGEST

ORDINANCE NO. \_\_\_\_\_  
BILL NO. 171, CD1 (2025)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY  
CODE, EXTENDING MAUI WILDFIRES REAL PROPERTY TAX RELIEF

This bill proposes to extend temporary real property tax relief for Lahaina properties that remain unoccupiable or under active rebuild after the August 2023 wildfires by: 1) extending the real property tax exemption through June 30, 2028, for properties that meet the required location and status criteria; and 2) continuing the tax year 2024 exemptions through December 31, 2028, for properties whose improvements were destroyed, damaged, or made inaccessible by the August 2023 wildfires.

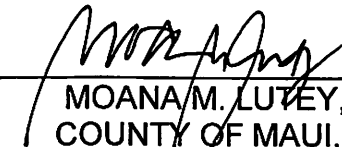
I, MOANA M. LUTEY, County Clerk of the County of Maui, State of Hawaii, DO  
HEREBY CERTIFY that the foregoing BILL NO. 171, CD1 (2025) was passed on First  
Reading by the Council of the County of Maui, State of Hawaii, on the 5th day of  
December, 2025, by the following vote:

AYES: Councilmembers Tom Cook, Gabriel Johnson, Tamara A.M. Paltin,  
'AE Keani N. W. Rawlins-Fernandez, Nohelani U'u-Hodgins, Vice-Chair  
Yuki Lei K. Sugimura, and Chair Alice L. Lee.

NOES: None.  
'A'OLE

EXCUSED: Councilmember Shane M. Sinenci.  
HO'OKU'U 'IA

DATED at Wailuku, Maui, Hawaii, this 8th of December, 2025.

  
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MOANA M. LUTEY, COUNTY CLERK  
COUNTY OF MAUI, STATE OF HAWAII

Copies of the foregoing Bill, in full, are on file in the Office of the County Clerk,  
County of Maui, for use and examination by the public.