

BF Committee

From: Andrew Rayner <andrew@hanahawaii.net>
Sent: Wednesday, November 01, 2017 3:41 PM
To: Robert Carroll
Cc: Mike White; Stacy S. Crivello; Alike A. Atay; Elle Cochran; Donald S. Guzman; Kelly King; Riki Hokama; Yukilei Sugimura; BF Committee
Subject: BF79

Dear Bob,

I am running a booth marketing our Hana Heart-of-Palm at the Made-in-Maui trade show on Friday morning, so I cannot provide personal testimony at the Council hearing.

But I want to register strong objection to the proposed tax changes affecting STRs. It is wrong to continue to threaten and gouge the small and weak end of the Maui tourist hospitality industry in this way. Little STRs are very different from hotels and resort condos.

In particular, while registered STR owners are suffering the great cost of compliance in both money and time to jump through the hoops imposed on them, and are then hit for GET, TAT and ballooning property taxes, it appears that the Council and the Department of Planning make virtually no effort to enforce the rules. The result is that there is, because of this idleness, or at least dire dereliction of duty in ensuring enforcement, a vast impact of unfair competition for honest STR owners. I have heard promises of enforcement and excuses for lack of it for years now; they do not hold water. Most of the unregistered STRs are in plain view, and a properly directed Department should be able to corral them in or chase them away in no time at all.

Effective action would produce much more revenue, I suspect, than hitting compliant STR owners yet again.

Kind regards

Andrew Rayner

President, Hana Business Council