

ORDINANCE NO. _____

BILL NO. 85, FD1 (2024)

A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.810,
MAUI COUNTY CODE, RELATING TO THE CIRCUIT BREAKER TAX CREDIT

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

SECTION 1. Section 3.48.810, Maui County Code, is amended to read as follows:

“3.48.810 Circuit breaker tax credit established. Upon proper application, a homeowner is entitled to a credit, not to exceed ~~[\$6,500,]~~ \$8,200, equal to the amount by which the real property taxes calculated for the homeowner property for the prior tax year exceeds ~~[two]~~ 2 percent of household income, or the minimum tax as established in the annual budget ordinance, whichever is greater, provided:

A. The homeowner has been granted a home exemption for at least five out of the prior six tax years.

B. Household income does not exceed ~~[\$100,000.]~~ \$126,000.

C. The homeowner is in compliance with section 3.48.820.

D. The credit only applies for the succeeding tax year, with no carryover credit allowed.

E. The amount of the circuit breaker tax credit is based on the homeowner's gross building assessed value and must be phased out using the following schedule:

Homeowner's gross building assessed value	Eligible percentage of circuit breaker tax credit
Up to [\$750,000] <u>\$1,000,000</u>	100%
[\$750,001] <u>\$1,000,001</u> to [762,500] <u>\$1,100,000</u>	80%
[\$762,501] <u>\$1,100,001</u> to [\$775,000] <u>\$1,200,000</u>	60%
[\$775,001] <u>\$1,200,001</u> to [\$787,500] <u>\$1,250,000</u>	40%
[\$787,501] <u>\$1,250,001</u> to [\$800,000] <u>\$1,300,000</u>	20%
[\$800,001] <u>\$1,300,001</u> or more	0%

F. Taxes on the property are not delinquent for more than one year from the date the application is filed and throughout the tax year for which the credit applies.”

SECTION 2. Material to be repealed is bracketed.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 3. This Ordinance takes effect on August 1, 2024.

APPROVED AS TO FORM AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel
Department of the Corporation Counsel
County of Maui

paf:jgk:24-146a

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Alice L. Lee", written over a horizontal line.

ALICE L. LEE

Upon the request of the Mayor.

DIGEST

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This bill proposes to amend Section 3.48.810, Maui County Code, effective August 1, 2024, to: 1) increase the circuit breaker tax credit maximum amount to \$8,200; 2) increase the maximum household qualifying income limit to \$126,000; and 3) adjust the schedule setting the amount of tax credit received based on the homeowner's gross building assessed value, which includes increasing the maximum value eligible to receive 100 percent of the credit to \$1,000,000.

I, RICHELLE M. THOMSON, Deputy County Clerk of the County of Maui, State of Hawaii, DO HEREBY CERTIFY that the foregoing BILL NO. 85, FD1 (2024) was passed on First Reading by the Council of the County of Maui, State of Hawaii, on the 7th day of June, 2024, by the following vote:

AYES: Councilmembers Tom Cook, Gabriel Johnson, Natalie A. Kama, Tamara A. M. Paltin, Shane M. Sinenci, Nohelani U'u-Hodgins, Vice-Chair Yuki Lei K. Sugimura, and Chair Alice L. Lee.

NOES: None.

EXCUSED: Councilmember Keani N. W. Rawlins-Fernandez.

DATED at Wailuku, Maui, Hawaii, this 10th of June, 2024.



RICHELLE M. THOMSON, DEPUTY 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.