

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

September 9, 2021

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P Victorino 9/10/21

Mayor Date

For Transmittal to:

Honorable Keani N.W. Rawlins-Fernandez, Chair
Budget, Finance, and Economic Development Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Rawlins-Fernandez:

SUBJECT: COUNTY TRANSIENT ACCOMMODATIONS TAX (BFED-52)

Pursuant to your request dated September 3, 2021, relating to the County Transient Accommodations Tax, below are the recommended amendments, comments, and/or questions to the proposed bill as provided by the State of Hawaii's Department of Taxation:

1. 3.47.030(B) - Delete bracketed portion as follows:

B. Every transient accommodations broker, travel agency, and tour packager who arranges transient accommodations at noncommissioned negotiated contract rates, every operator, and [occupant of a resort time share vacation unit], must pay to the County the tax imposed.

The imposition on timeshares is already included under paragraph (C).

Honorable Keani N.W. Rawlins-Fernandez, Chair
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2. Include an authority to deem periodic/annual returns filed with County of Maui when filed with the State of Hawaii.
3. 3.47.030 - Update to match HRS 237D-2(b), as amended by Act 90, SLH 2021.
4. 3.47.060(A) - Update to match HRS 237D-6(a), as amended by Act 90, SLH 2021.
5. 3.47.110(A) - Update to match HRS 237D-9(a), as amended by Act 90, SLH 2021.
6. 3.47.120 – County may not have authority to require the tax be paid pending appeal as the State does not have that authority.
7. 3.47.150 – Incorporate all the HRS sec. 231-39 penalties. Failure to file is not currently included.
8. 3.47.170 – Provide authority for county to enter into agreement with another county or counties.
9. Should the grandfathering provision in HB 862 be inserted into the bill?

Should you have any questions or require further assistance, please feel free to contact me at extension 7474.

Sincerely,



SCOTT K. TERUYA
Director of Finance

SKT:maa

cc: Moana Lutey, Corporation Counsel

Attachment

Council Chair
Alice L. Lee

Vice-Chair
Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Gabe Johnson
Kelly Takaya King
Michael J. Molina
Tamara Paltin
Shane M. Sinenci
Yuki Lei K. Sugimura



Director of Council Services
Traci N. T. Fujita, Esq.

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

September 3, 2021

Mr. Scott Teruya, Director
Department of Finance
County of Maui
Wailuku, Hawaii 96793

Aloha e Director Teruya:

SUBJECT: COUNTY TRANSIENT ACCOMMODATIONS TAX (BFED-52)

Please see the attached proposed bill entitled, "A BILL FOR AN ORDINANCE ESTABLISHING A NEW CHAPTER 3.47, MAUI COUNTY CODE, IMPLEMENTING A COUNTY TRANSIENT ACCOMMODATIONS TAX." The purpose of the proposed bill is to establish a 3 percent transient accommodations tax in the County of Maui on all gross rental, gross rental proceeds, and fair market rental value considered taxable under the definitions of Section 237D-1, Hawaii Revised Statutes.

May I please request that you serve as the main point of contact with the State Department of Taxation regarding recommended amendments to the proposed bill.

May I further request you transmit the recommended amendments to bfed.committee@mauicounty.us by **September 15, 2021**. To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff (Lesley Milner at ext. 7886, or Yvette Bouthillier at ext. 7758).

Sincerely,

A handwritten signature in black ink that reads "Keani Rawlins-Fernandez".

KEANI N.W. RAWLINS-FERNANDEZ, Chair
Budget, Finance, and Economic Development
Committee

bfed:ltr:052afn02:lpcm

Attachment
cc: Mayor Michael P. Victorino

BFED Committee

From: Michelle Santos <Michelle.Santos@co.maui.hi.us>
Sent: Friday, September 10, 2021 11:19 AM
To: BFED Committee
Cc: Didi Hamai; Josiah Nishita; Kayla Ueshiro; May-Anne Alibin; Sandy Baz; Scott Teruya; Stacy Takahashi; Tyson Miyake; Zeke Kalua
Subject: MT#9202-County Transient Accommodations Tax
Attachments: MT#9202-BFED Committee.pdf

NOTE: PLEASE DO NOT FORWARD MY EMAIL TO ANYONE OUTSIDE OF THE COUNTY OF MAUI. YOU MAY CLICK ON THE ATTACHMENT ITSELF AND CREATE YOUR OWN EMAIL TO FORWARD THE DOCUMENT TO ANOTHER PERSON OUTSIDE OF THE COUNTY.

Michelle L. Santos

Office Operations Assistant

Office of the Mayor

County of Maui

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