



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

Testimony to the Budget and Finance Committee
Re: BF-45 Real Property Classification of Land and Building
(Planned Developments and Condominium Property Regimes)
Tuesday, September 19, 2017

Dear Chair Hokama, Vice-Chair White,
And Members of the Committee,

Aloha and Mahalo for the opportunity to testify on this matter. We oppose the bill BF-45 that would change the classification of condominiums to the "hotel and resort" tax classification. While we didn't see the rationale for this bill in the current draft, it occurs to us that this measure may be aimed at trying to enforce those who are doing short term rentals and to have them taxed as we would hotels.

Our concern is that properties with long-term tenants would also be classified as hotels and many owners may not go through the onerous process of getting their property reclassified. Again, our suggestion would be for enforcement of illegal operators. It seems that the County often wants to push forward with new regulations that may create unintended consequences in lieu of doing enforcement.

Further, there is additional revenue to be made by investing in enforcement of illegal operators. While we believe in leveling the playing field, in this situation, that can cause more harm as stated above, so we ask that you consider enforcement measures on illegal operators instead.

Mahalo for the opportunity to testify.

Sincerely,

Pamela Tumpap

Pamela Tumpap
President

RECEIVED AT bf MEETING ON SEP 19 2017
(CHAMBER COUNCILS)

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.