MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director

RECEIVED
2019 JUN 12 AM 10:51
OFFICE OF THE
COUNTY COUNCIL

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2019 JUN 10 AM 11:56
OFFICE OF THE MAYOR

DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAI'I 96793

June 10, 2019

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

For Transmittal to:

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

APPROVED FOR TRANSMITTAL

Acting Mayor 6/12/19 Date

Dear Chair Rawlins-Fernandez:

SUBJECT: APPROVING THE DIRECTOR OF FINANCE TO COMPROMISE A CLAIM RELATING TO REAL PROPERTY TAXES (EDB-16)

This is in response to your request dated June 6, 2019 on the above subject, relating to communication 19-140 and subsection 3.48.010(L) Maui County Code.

1. *The amount of tax assessed or proposed to be assessed.*

   The taxes in question are for fiscal year 2017-2018:

TMK 210130790000	$0
TMK 210130790001	$6,098.80
TMK 210130790002	$1,622.98
Total	**$7,721.78**

2. *The amount of penalties and interest imposed or proposed to be assessed.*

   Penalty and interest are still accruing because the real property taxes have not been paid as of 6/7/2019. The penalty and interest total calculated as of 6/30/2019 is $2,386.02. The department is proposing to reduce the penalty and interest assessment to $0 upon payment of taxes in full.

3. *The amount of penalties and interest imposed or which could have been imposed by law with respect to subdivision 1 of this subsection as computed by the director.*

Penalty and interest are still accruing because the real property taxes have not been paid as of 6/7/2019. The penalty and interest total calculated as of 6/30/2019 is $2,386.02.

4. *The total amount of liability as determined by the terms of the compromise, and the actual payment made thereon with the dates thereof.*

   Penalty and interest have been calculated to be $2,386.02 as of June 30, 2019. It is the intent of the department that the compromise be no more than the penalty and interest calculation. The tax payer has yet to make a payment on the delinquent tax map keys, 210130790001 and 210130790002. As of 6/7/2019, the department has not made any compromises with respect to tax maps keys 210130790001 and 210130790002.

5. *The reasons for the compromise.*

   On January 1, 2017, the assessment date for fiscal year 2017-2018, the subject was a two- unit condominium project. On February 10, 2017, the condominium regime was canceled. On March 17, 2017, the property sold for $927,600 to the owner of a nearby property. On March 17, 2017 the escrow company gave the Real Property Assessment (RPA) a change of address for the purchased property and not for the two properties that were assessed for fiscal year 2017-2018. The lack of a current mailing address resulted in the parcels going delinquent. RPA discovered the delinquencies in March 2018 and updated the mailing address to the owner of the new parcel. The owner is requesting that the penalties and interest be waived. To avoid situations like this in the future, RPA has been sending a courtesy letter reminding developers that taxes are due on parcels that are assessed as of January 1 but dropped before taxes are due the following fiscal year. Because condominium regimes are under the jurisdiction of the State of Hawaii, there is no tax clearance process like there is with subdivisions.

Attached is a copy of the real property tax bills for tax map key numbers 210130790001 and 210130790002. The amount is not confidential and therefore, an executive meeting to discuss information contained in the bill is not necessary.

Thank you for the opportunity to respond. Should you have any questions, please feel free to contact me at extension 7474.

Sincerely,

SCOTT K. TERUYA
Director of Finance

Attachments

COUNTY OF MAUI - DEPARTMENT OF FINANCE
TREASURY DIVISION
Real Property Tax/Fee Collections and Tax Relief Program
70 E. KAAHUMANU AVE., A-18, KAHULUI, HI 96732
Phone (808) 270-7697
Website: www.mauipropertytax.com

RB od

MAUI
REAL PROPERTY TAX BILL

REMEMBER TO:
Sign & date the check? Post-dated checks **NOT accepted**.
Write your tax map key number(s) on your check?
Enclose bottom portion of the Tax bill(s) with your payment?

If your payment is not the amount shown on your enclosed bill(s) and/or accompanied with a bill, **provide your tax map key number(s).**

Payment must be U.S. POSTMARKED on or before the due dates.

Important details on back of this bill.

2-2-1-013-079-0002-000
ARNBERGER,H BENNETT TRUST
540 KUMULANI DR
KIHEI CA 96753

Pursuant to MCC 3.48.590 MINIMUM TAX $400.00

This bill is for the entire amount due on the property and NOT PRORATED according to ownership.

IMPORTANT INFORMATION ON REVERSE SIDE — KEEP THIS PORTION FOR YOUR RECORDS

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-2-1-013-079-0002-000	06/30/2019	$2,124.48	$0.00	$2,124.48	$2,124.48

Description	Year/ Cycle	Tax Due Date	Tax/Assmt Less Payments	Credit	Net Tax	Penalty	Interest	Other	Total
REAL PROPERTY	2017 - 1	08/21/2017	811.49	0.00	811.49	81.15	196.38	0.00	1,089.02
REAL PROPERTY	2017 - 2	02/20/2018	811.49	0.00	811.49	81.15	142.82	0.00	1,035.46
TOTAL:			1,622.98	0.00	1,622.98	162.30	339.20	0.00	2,124.48

PROPERTY OWNER:
ARNBERGER,H BENNETT TRUST

PROPERTY ADDRESS:
540 KUMULANI DR
KIHEI 96753

08202012

COUNTY OF MAUI - DEPARTMENT OF FINANCE
TREASURY DIVISION
Real Property Tax/Fee Collections and Tax Relief Program
70 E. KAAHUMANU AVE., A-18, KAHULUI, HI 96732
Phone (808) 270-7697
Website: www.mauipropertytax.com

060619 RB od

MAUI REAL PROPERTY TAX BILL

CHANGE OF ADDRESS
DO NOT use this coupon for Change of Address. Instructions and form are available on our website at www.mauipropertytax.com

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-2-1-013-079-0002-000	06/30/2019	$2,124.48	$0.00	$2,124.48	$2,124.48

Make checks payable to: **County of Maui**
Please make check payable for real property taxes only.

AMOUNT PAID $

ARNBERGER,H BENNETT TRUST
540 KUMULANI DR
KIHEI CA 96753

2210130790002000200021244800021244800009

COUNTY OF MAUI - DEPARTMENT OF FINANCE
TREASURY DIVISION
Real Property Tax/Fee Collections and Tax Relief Program
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Important details on back of this bill.

2-2-1-013-079-0001-000
H BENNET ARNBERGER TRUST
540 KUMULANI DR
KIHEI HI 96753

Pursuant to MCC 3.48.590 MINIMUM TAX $400.00

This bill is for the entire amount due on the property and NOT PRORATED according to ownership.

IMPORTANT INFORMATION ON REVERSE SIDE — KEEP THIS PORTION FOR YOUR RECORDS

TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-2-1-013-079-0001-000	06/30/2019	$7,983.32	$0.00	$7,983.32	$7,983.32

Description	Year/ Cycle	Tax Due Date	Tax/Assmt Less Payments	Credit	Net Tax	Penalty	Interest	Other	Total
REAL PROPERTY	2017 - 1	08/21/2017	3,049.40	0.00	3,049.40	304.94	737.95	0.00	4,092.29
REAL PROPERTY	2017 - 2	02/20/2018	3,049.40	0.00	3,049.40	304.94	536.69	0.00	3,891.03
TOTAL:			6,098.80	0.00	6,098.80	609.88	1,274.64	0.00	7,983.32

PROPERTY OWNER:
H BENNET ARNBERGER TRUST

PROPERTY ADDRESS:
540 KUMULANI DR
KIHEI 96753

08202012

COUNTY OF MAUI - DEPARTMENT OF FINANCE
TREASURY DIVISION
Real Property Tax/Fee Collections and Tax Relief Program
70 E. KAAHUMANU AVE., A-18, KAHULUI, HI 96732
Phone (808) 270-7697
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060619 RB od

MAUI REAL PROPERTY TAX BILL

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TAX MAP KEY / PARCEL ID	PAYMENT DUE DATE	PRIOR YEAR(S)	CURRENT YEAR	TOTAL	AMOUNT DUE NOW
2-2-1-013-079-0001-000	06/30/2019	$7,983.32	$0.00	$7,983.32	$7,983.32

Make checks payable to: **County of Maui**
Please make check payable for real property taxes only.

AMOUNT PAID $

H BENNET ARNBERGER TRUST
540 KUMULANI DR
KIHEI HI 96753

2210130790001000200079833200079833200006