

**HOLD FOR MEETING**

October 14, 2025, RPTR Committee meeting

RPTR-10

SPECIAL COMMITTEE ON REAL PROPERTY TAX REFORM  
Amendment Summary Form

Legislation: Bill 145 (2025), entitled "A BILL FOR AN ORDINANCE ADDING A NEW SECTION TO CHAPTER 3.48, MAUI COUNTY CODE, ESTABLISHING AN EXEMPTION FOR VACANT LANDOWNERS ON THE UPCOUNTRY WATER SERVICE PRIORITY LIST"

Proposer: Council Vice-Chair Yuki Lei Sugimura 

Description: Amend Bill 145 to:

- 1) replace all references of the term "upcountry water service priority list" with "upcountry water system priority list"; and
- 2) replace the term "director of finance" with "director."

Reasons: These changes provide consistency with definitions in Maui County Code Sections 14.13.030 and 3.48.005, respectively.

Motion: Move to substitute Bill 145 (2025) with the attached proposed CD1 version.

Attachment: Proposed CD1 version of Bill 145 (2025), incorporating the proposed amendments.

paf:pah:25-233f

ORDINANCE NO. \_\_\_\_\_

BILL NO. 145, CD1 (2025)

A BILL FOR AN ORDINANCE ADDING A NEW SECTION TO CHAPTER 3.48,  
MAUI COUNTY CODE, ESTABLISHING AN EXEMPTION FOR VACANT  
LANDOWNERS ON THE UPCOUNTRY WATER SYSTEM PRIORITY LIST

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

SECTION 1. This Ordinance’s purpose is to establish an exemption for vacant landowners who are on the Department of Water Supply’s Upcountry Water System Priority List. The list was established to fairly allocate water meters in an area with water-infrastructure constraints. As of January 2025, there were over 1,400 properties on the list, with some dating back to 2003. Property owners on the priority list are subject to higher real property taxes. Granting tax relief specifically to those on this longstanding list acknowledges their patience and hardship.

SECTION 2. Chapter 3.48, Maui County Code is amended by adding a new section to be appropriately designated and to read as follows:

**“3.48.463 Vacant property on the upcountry water system priority list.** A. Vacant real property on the upcountry water system priority list as defined in section 14.13.030 is exempt from property taxes for tax years beginning on or after July 1, 2026, to following extent:

1. Totally exempt where the value of the property is up to \$50,000; or
2. Where the property is in excess of \$50,000, the exemption is \$50,000.

B. Subsection A’s exemption is not allowed for the following:

1. A corporation, partnership, or company.

2. On more than one parcel for a taxpayer.  
3. For real property classified as “commercialized residential” or “TVR-STRH.”

4. For real property on which taxes are delinquent for a period of more than one year.

C. If during the course of a tax year subsection A’s exemption is revoked for a parcel, the taxes for the entire tax year must be recalculated without the exemption.”

D. No exemption may be granted under this section unless an application for exemption is filed with the department. Applications must be submitted by December 31 immediately preceding the tax year for which an exemption is claimed. A new application must be filed for each tax year for which an exemption is claimed.

E. The director of water supply must provide the director with an updated upcountry water system priority list every six months.”

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This Ordinance takes effect on approval.

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INTRODUCED BY:

*Yuki Lei K. Sugimura*

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YUKI LEI K. SUGIMURA