

EDB Committee

From: dave virga <dvirga@gmail.com>
Sent: Tuesday, May 07, 2019 8:05 AM
To: EDB Committee
Subject: Maui County Property tax increase

Dear Council,

I love Maui and understand the need for an incremental tax increase occasionally to cover the cost of improvements, repairs, infrastructure, etc, but a 60% + increase seems very excessive and will harm the property owners, tourism, and property values. All of which are crucial in sustaining the island, its residents and resources. I urge you to find another solution as this is much too drastic of an approach. Thank you for your consideration.

Kind Regards,

Dave Virga



Virus-free. www.avg.com

EDB Committee

From: Riley Beckett <rileybe14@gmail.com>
Sent: Tuesday, May 07, 2019 11:12 AM
To: Mayors.Office@co.maui.hi.us; Tegarden@mauicounty.gov
Cc: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura; EDB Committee; Keani N. Rawlins
Subject: Re: Testimony Regarding Proposed Tax Increases

Maui County,
Economic and Budget Committee,
Council Members,

RE: Tax Increase on Short Term Rentals

Dear **Mayor**, Council and Committee Members –

I am writing today to provide my testimony regarding proposed increases to tax rates for short term rental properties on Maui. When I recently read about pending changes to my tax rate for my home on Maui I was shocked. I read that the budget committee proposed to increase the tax rate on my second home from \$9.28 per \$1,000 to \$15.41 per \$1,000 – the same as Timeshares? This is unfair and unreasonable increase of over 60% in the tax rate !

My wife and I are retired and bought our home in Hololani A-301 in Kahana Bay in 2005 with the idea it would be our second home in paradise We rely on short term and part time rentals to be able to afford the unit. We have limited income and rely on those short rental to help us cover the condo fees, taxes and general upkeep. As an owner but not a full time resident and living on a property with substantial upkeep and expense, I can tell you that a 66% increase in my taxes will be catastrophic and will force me to sell my condo which I love. I have also talked to other condo owners who feel like me and are also thinking of selling if this draconian tax rate goes into effect. I have already seen my tax bill go up by 20% in the last couple of years and a further 66% is just not workable.

Condominiums with short term rentals are "not timeshares" and not "hotels" and should not be taxed at the same or similiar rates. Both the

Mayors office and the council should consider well the impacts to those of us for Maui is our second home and reject any further increases to short term condominium rental property tax rates.

I am certain it is not your desire to force retired padrt time residents to leave Maui but making tax changes of this magnitude may well have that effect. I urge you to consider those of us who are retired, on fixed income and limited income, and for whom a massive tax increase will be impossible.

When I purchased on Maui years ago, the tax rate history was fairly stable and I had hoped to rely on that stability in my retired years. Please bear in mind that many buyers look at current tax rates and their schemes and their continuity and stability in chosing retirement living locations. Substantial increases may have the unintended consequences of leading many future buyers to avoid Maui and lower your property valutions leading to lower tax revenue.

This drastic tax increase is not a good idea for Maui and we urge you to reject thi tax increase proposal.

Thank you for your consideration.

Riley & Jane Beckett
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