RPTR Committee

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Sent: Sunday, September 14, 2025 4:26 PM
To: RPTR Committee
Subject: Special RPT council committee: Comments on agenda for first meeting 9/17/25

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Aloha kakou.

Mahalo for undertaking this important but complex project. You may not get it all done in one fiscal year, but that's alright.
I want to give you something some of my comments in writing, before your first meeting Wednesday afternoon. I think you all know, but for the record, I am currently Chair of the RPT BOR, and during the three years I was Chair of the COGC, we investigated RPT policy options and produced a formal report of our findings and recommendations on policy options for consideration exactly 3 years ago. Evan Dust was a commissioner then and provided valuable amendments and edits to the final product, which the COGC approved unanimously. It is a huge document, with all the exhibits, but readily available on the COGC website.

Here are my comments on the four bills on the agenda.
110 This caps eligibility for Aina Kupuna relief as of 12/31/45. Good idea.
111 This relaxes documentation requirements for Circuit Breaker for owners >77 yrs old. Good idea.
(No 112, unexplained)
113 This proposal relaxes deadlines for claiming OO or LTR classification and exemptions, on a new deadline of 9/30. Why not make it a requirement of filing an appeal by April 9, and to submit the new documents by May 15? The late filing penalties are ok, but probably need input from the public and other prior BOR members. But no need to give the neglectful owner more time than May 15 to qualify. Qualification depends in both instances on documents already in existence by 12/31 of the prior year. Also, Tom Croly in his written submission acknowledges the problem, a surprising increase in taxes due, in the notice the PO gets in mid-March. They are upset when they learn they would qualify for lower taxes if they had filed on time. In the two years of appeals I've heard, this is a frequent basis for appeal. These surprised owners file an appeal by April 9, or they talk to their assessor and learn that no such appeal can be granted, neither by RPAD or BOR. Tom proposes that the BOR be given discretion to grant relief. But not all of those affected file appeals. How late would the BOR be able to extend the deadline, and for what excuses for the late filings? Clear rules would be better.
114 Extends RPT exemption to lessees on DHHL parcels with improvements. Good idea.

I have two additional topics for you to consider:
The first is that with the invaluable assistance of Marcy Martin and Kari Stockwell, and their team of statistical policy analysts, Maui Tomorrow has hired a consultant to produce a tool you and the administration, and anyone else, can use to see the RPT revenue effects of any hypothetical changes to the two tier thresholds in each class of property, and at the same time, see the effect of any hypothetical rate changes for each tier. The new revenue results of the hypothetical new tiers and rates are available instantaneously.
This tool will use only data from RPAD already publicly available.
The second is that I believe one of the issues you must deal with is whether to continue the large discrepancy between how vacant land, with no structures, is taxed in the Lahaina burn zone and

parcels only a half mile away in Launiupoko, or just north and mauka of the burn zone. Many of the vacant parcels in the burn zone, had their land separately assessed at more than $2 million before the fire.   This topic merits a long discussion, but if you want RPAD to assess the currently exempt lots, the sooner they know the better.

I am happy to discuss all of this with you if I can be of help.

Aloha.

Michael Williams

Sent from my iPad