

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director



DEPARTMENT OF FINANCE
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793

RECEIVED
2019 AUG 23 AM 9:46
OFFICE OF THE MAYOR

August 23, 2019

RECEIVED
2019 AUG 26 AM 9:40
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COUNTY CLERK

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

For Transmittal to:

Honorable Kelly T. King
Council Chair
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL


Acting Mayor 8/23/19
Date

Dear Chair King:

**SUBJECT: A PROPOSED BILL FOR AN ORDINANCE AMENDING
CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO
DETERMINATION OF RATES**

Transmitted herewith is a proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO DETERMINATION OF RATES".

The purpose of this proposed bill is to combine land and building tax rate into a single rate structure. During the last two budget cycles, there has been discussions about the possibility of integrating a tiered tax rate structure. Combining the land and building tax rate into a single rate structure serves to simplify the existing rate structure to better accommodate the integration of tiered rates.

I respectfully request that this proposed bill be considered by the Budget and Finance Committee as soon as possible. Thank you for your attention in this matter. Should you have any questions, please feel free to contact me at extension 7474.

Sincerely,


SCOTT K. TERUYA
Director of Finance

Honorable Kelly T. King, Chair
8/23/2019
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SKT:maa

Attachment

cc: Sandy Baz, Managing Director

ORDINANCE NO. _____

BILL NO. _____

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY
CODE, RELATING TO DETERMINATION OF RATES

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

SECTION 1. Section 3.48.560, Maui County Code, is amended to read as follows:

"3.48.560 Definitions. Unless a different meaning is clearly indicated by the context, as used in this article: [A. "Net taxable lands" means all other real property exclusive of buildings.

B. "Net taxable real property," "net taxable buildings" or "net taxable lands"] "Net taxable real property" means[, as indicated by the context,] the percentage of the fair market value of property determined under section 3.48.180, which the director of finance certifies as the tax base as provided by ordinance less exemptions as provided by ordinance and, in all cases which appeals from the director's assessment are then unsettled, less [fifty per cent] 50 percent of the value in dispute."

SECTION 2. Section 3.48.565, Maui County Code, is amended to read as follows:

"3.48.565 Increase or decrease. The council may increase or decrease the tax rate for [buildings and for all other real property, exclusive of buildings for net taxable land and net taxable buildings of] each class of net taxable real property established in accordance with section 3.48.305. A resolution setting the tax rates shall be adopted on or before June 20 preceding the tax year for which property tax revenues are to be raised according to the following procedures: A. The council shall advertise its intention to increase or decrease tax rates and the date, time and place of a public hearing in a newspaper of general circulation. The date of the public hearing shall be not less than ten days after the advertisement is first published and shall set forth the tax rates to be considered by the council.

B. After the public hearing provided for in subsection A [of this section], the council shall readvertise and reconvene within three weeks to adopt a resolution fixing the tax rates for the tax year for which property tax revenues are to be raised. The advertisement shall state the new rates to be fixed and the date, time, and place of the meeting scheduled for fixing such rates. The date, time, and place of the meeting shall also be announced at the public hearing required by subsection A [of this section]. If the resolution fixing the tax rates is not adopted within three weeks from the public hearing required by subsection A [of this section], the council shall again advertise and meet as required by subsection A.

C. If adopting an increase or decrease in the tax rates as provided by subsections A and B [of this section], the council determines that it requires a further increase or decrease in tax rates or fails to act in any specified period, the council shall readvertise and follow the requirements of subsections A and B."

SECTION 3. Section 3.48.580, Maui County Code, is amended to read as follows:

"3.48.580 Calculations submitted by director. A. The director of finance shall, on or before April 19 preceding the tax year, furnish the council with a calculation certified by [him] the director of finance as being as nearly accurate as may be, of the estimated revenues derived using the rates set forth in the proposed budget, separately stated for each category established in accordance with section 3.48.305, for net taxable [lands and for net taxable buildings.] property.

B. The director of finance shall, on or before May 1 preceding the tax year, furnish the council with a calculation certified by [him] the director of finance as being as nearly accurate as may be, of the net taxable real property within the County, separately stated for each category established in accordance with section 3.48.305 [for net taxable lands and for net taxable buildings] plus such additional data relating to the property tax base as may be necessary. "

SECTION 4. Material to be repealed is bracketed. New material is underscored. In printing this bill, the County Clerk need not include the brackets, the bracketed material, or the underscoring.

SECTION 5. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

A handwritten signature in black ink, appearing to read "Jeffrey Ueoka", written over a horizontal line.

JEFFREY UEOKA
Department of Corporation Counsel
County of Maui

2019-1148
2019-07-03 Ordinance