

COUNCIL OF THE COUNTY OF MAUI
SPECIAL COMMITTEE ON REAL
PROPERTY TAX REFORM

September 26, 2025

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Special Committee on Real Property Tax Reform, having met on September 16, 2025, and reconvened on September 17, 2025, makes reference to Bill 111 (2025), entitled “A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.820, MAUI COUNTY CODE, RELATING TO THE CIRCUIT BREAKER TAX CREDIT.”

Bill 111’s purpose is to simplify the application process for the circuit breaker tax credit by allowing homeowners who are at least 78 years old to verify income by submitting an affidavit instead of Internal Revenue Service records.

Your Committee notes that homeowners may be eligible for the tax credit when their calculated real property taxes are more than two percent of their household income.

The Director of Finance explained that the bill would simplify the application process for qualified senior applicants.

Your Committee discussed the importance of safeguarding against potential fraud in the administration of the program.

Your Committee voted 4-0 to recommend passage of Bill 111 (2025), on first reading. Committee Chair Lee, Vice-Chair Rawlins-Fernandez, and members Johnson and Kama voted “aye.” Committee member Sugimura was excused.

COUNCIL OF THE COUNTY OF MAUI

SPECIAL COMMITTEE ON REAL PROPERTY TAX REFORM

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Your Special Committee on Real Property Tax Reform RECOMMENDS that Bill 111 (2025), attached, entitled “A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.820, MAUI COUNTY CODE, RELATING TO THE CIRCUIT BREAKER TAX CREDIT,” be PASSED ON FIRST READING and be ORDERED TO PRINT.

This report is submitted in accordance with Rule 3 of the Rules of the Council.



ALICE L. LEE, Chair

rprr:cr:25003aa:kes

ORDINANCE NO. _____

BILL NO. 111 (2025)

A BILL FOR AN ORDINANCE AMENDING SECTION 3.48.820, MAUI COUNTY
CODE, RELATING TO THE CIRCUIT BREAKER TAX CREDIT

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

SECTION 1. This Ordinance's purpose is to simplify the application process for those who are least 78 years old and have been in the circuit breaker tax credit program for at least three of the six prior years, by replacing the tax return transcript and tax account transcript requirements with a Department of Finance affidavit form.

SECTION 2. Section 3.48.820, Maui County Code, is amended to read as follows:

"3.48.820 Administration. A. The director [shall] will determine whether the homeowner qualifies for the circuit breaker tax credit upon review and verification of each completed application. To verify information in the application, the director [shall] must require proof of household income, as defined in section 3.48.805. The director may require that each member of the household provide copies of:

[(1)]1. A tax return transcript from the Internal Revenue Service.

[(2)]2. A tax account transcript, if applicable, from the Internal Revenue Service.

[(3)]3. Any accompanying forms and schedules as the director may require to verify the transcripts.

Except that an applicant who is at least 78 years old and has qualified for the circuit breaker tax credit for at least three out of the six prior years, may provide an affidavit form declaring the household adjusted gross income in lieu of the items listed above. If the director obtains evidence that a claimant does not qualify for the circuit breaker tax credit, the director may require these items

be provided as evidence of qualification upon written notice to the claimant by mail.

The applicant may refuse to provide the information or authorization required by the director. Failure to provide such information or authorization [shall] will result in the denial of the application. [Notwithstanding] Despite any provision to the contrary, there [shall] will be no appeal from the director's decision to deny an application as a result of the applicant's failure to provide the required information or authorization.

B. The director [shall] must determine if the homeowner qualifies for the circuit breaker tax credit. If the homeowner does not qualify for the circuit breaker tax credit, the director [shall] must notify the homeowner on or before March 1 preceding the tax year.

C. If an application for the circuit breaker tax credit is granted, the director [shall] must apply the credit to the real property tax bills issued [pursuant to] in accordance with sections 3.48.190 and 3.48.195, apportioned in equal parts between the two installments.

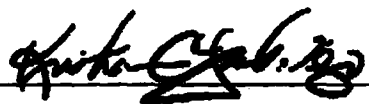
D. A circuit breaker tax credit [shall] is not [be] transferable to another person or property.

E. The director may adopt rules and prescribe forms to implement this article.

SECTION 3. 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 4. This Ordinance takes effect on approval.

APPROVED AS TO FORM AND
LEGALITY:

A handwritten signature in black ink, appearing to read "Kristina C. Toshikiyo", is written over a horizontal line.

KRISTINA C. TOSHIKIYO
Department of the Corporation Counsel
County of Maui

LF 2025-0402

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "Mrs. R. Lee", written over a horizontal line.

Upon the request of the Mayor.