

ORDINANCE NO. _____

BILL NO. 144 (2025)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY
CODE, EXTENDING MAUI WILDFIRES REAL PROPERTY TAX RELIEF

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

SECTION 1. More than two years after the August 2023 wildfires, Maui's recovery has not progressed at a rapid pace. As of September 2025, only 491 building permits had been issued, 285 homes were under construction, and 59 homes were rebuilt in Lahaina and Upcountry. Further, no commercial properties had been rebuilt and occupied. Property owners face ongoing hardship with recovery. The Council therefore finds extending tax relief is appropriate.

SECTION 2. Section 3.48.230, Maui County Code, is amended as follows:

1. By amending Subsection B to read:

"B. Real property that was completely destroyed by the August 2023 Maui wildfires, as determined by the director, is exempt from real property taxes, including the minimum real property tax, through June 30, [2026.] 2028. Real property that receives this exemption will lose the exemption if sold before July 1, 2028, and the new landowner will be responsible for paying taxes from the date of the recorded sale."

2. By amending subsection D to read:

"D. Real property that was located in a red or yellow reentry zone in Lahaina, as established by the County following the August 2023 Maui wildfires in its reentry map of impacted areas, or for which access was restricted to certain hours by the government, as determined by the director as of January 1, 2024, is exempt from real property taxes, including the minimum real property tax, for the

period July 1, 2024, through June 30, [2026.] 2028. Real property that receives this exemption will lose the exemption if sold before July 1, 2028, and the new landowner will be responsible for paying taxes from the date of the recorded sale.”

SECTION 3. Section 3.48.415, Maui County Code, is amended by amending Subsection B to read as follows:

“B. Exemptions that were in effect for tax year 2024, where improvements were destroyed, damaged, or made inaccessible by the August 2023 Maui wildfires, must remain in effect through December 31, [2026,] 2028, under the following circumstances:

1. The parcel does not sell in an arm’s length transaction.

2. The applicant for an exemption under section 3.48.450 does not apply for another exemption on any principal home.

3. The applicant for an exemption under section 3.48.475 does not apply for another exemption for a home, as defined in that section.

4. The parcel qualified for the exemption between January 1, 2023, and August 8, 2023.

5. The exemption is not subject to disallowance under section 3.48.430; except that a qualifying exemption under section 3.48.450 or 3.48.475 is transferable to another property in the County that is acquired by a deed recorded before January 1, 2025, for the 2025 tax year only, if the applicant makes a request for the transfer by December 31, 2024.”

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 takes effect on approval.

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INTRODUCED BY:

Yuki Lei K. Sugimura

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