

ORDINANCE NO. _____

BILL NO. 112 (2025)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48,
MAUI COUNTY CODE, RELATING TO GOLF COURSE ASSESSMENT

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

SECTION 1. The purpose of this ordinance is to repeal sections 3.48.355 and 3.48.360 relating to golf course use valuation dedications. Section 3.48.355(B) states that dedicated golf course values consider rental income and section 3.48.360 sets forth the required conditions to dedicate land assessed as a golf course. The Department of Finance does not have reasonable access to annual rental income, which makes determining assessments under this section of the code challenging. By repealing these sections, golf courses will be assessed at highest and best use consistent with other real property using the cost and sales comparison approaches to value.

SECTION 2. Section 3.48.355, Maui County Code, is amended to read as follows:

“3.48.355 Golf course assessment—basis. A. Property operated and used as a golf course will be assessed for property tax purposes on the basis of its actual use as a golf course rather than on the valuation based on the highest and best use of the land.

B. In determining the value of actual use, factors to be considered must include rental income, cost of development, sales price, and the effect of the value of the golf course on the value of the surrounding lands.

C. This section will be repealed on December 31, 2024.”

SECTION 3. Section 3.48.360, Maui County Code, is amended to read as

follows:

3.48.360 Golf course assessment—conditions. To qualify in having land assessed in valuation as a golf course, the owner of any parcel of land desiring or presently using the land for a golf course must comply with the following:

A. Dedication of land.

1. The owner must petition the director and declare in the petition that the parcel of land will be dedicated for a golf course.

2. The approval by the director of the petition to dedicate the land constitutes a forfeiture on the part of the owner of any right to change the use of the land for a minimum period of ten years, automatically renewable indefinitely, subject to cancellation by either the owner or the director upon five years' notice at any time.

3. The failure of the owner to observe the restrictions on the use of the land to that of a golf course cancels the special tax assessment privilege retroactive to the date of the dedication, but not more than ten years prior to the tax year in which the dedication is disallowed. All differences between the amount of taxes that were paid and those that would have been due from assessment in the higher use are payable with a six percent annual penalty from the respective dates that these payments would have been due. Failure to observe the restrictions on the use means failure for a period of over twelve consecutive months to use the land in that manner requested in the petition as a golf course or the overt act of changing the use for any period. Nothing in this subsection precludes the County from pursuing any other remedy to enforce the covenant on the use of the land as a golf course.

4. The petition must be filed by September 1 of any calendar year, in a form prescribed by the director, and will be approved or disapproved by December 15. If approved, the assessment based upon the use requested in the dedication takes effect on January 1 of the next calendar year.

5. The owner may appeal any disapproved petition as in the case of an appeal from an assessment.

6. "Owner," as used in this section, includes lessees of real property whose lease term extends at least ten years from the date of the petition.

7. The additional taxes and penalties, due and owing where the owner has failed to observe the restriction on

the use, attaches to the property as a paramount lien in favor of the County as provided for by this chapter.

B. Covenant not to engage in discrimination. The owner must covenant in the petition with the director that the owner will not discriminate against any individual in the use of the golf course facilities because of the individual's race, sex, religion, color, or ancestry.

C. After July 1, 2024, no parcel of land may be dedicated for golf course use in accordance with this section, and no existing dedication authorized by this section may be renewed. This section will be repealed on 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.

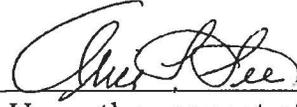
APPROVED AS TO FORM
AND LEGALITY:



KRISTINA C. TOSHIKIYO
Deputy Corporation Counsel
County of Maui

LF2024-0506
2024-06-10 Ord Amd 3.48 Golf Assessment

INTRODUCED BY:

A handwritten signature in cursive script, appearing to read "James R. Lee". The signature is written in black ink and is positioned above a horizontal line.

Upon the request of the Mayor.