

BF Committee

From: Dayna Harris <dayna@molokaivacationproperties.com>
Sent: Thursday, October 26, 2017 10:01 AM
To: Mike White; Robert Carroll; Stacy S. Crivello; Alike A. Atay; Elle Cochran; Donald S. Guzman
Cc: Kelly King; Riki Hokama; Yukilei Sugimura; BF Committee
Subject: Tax increase

Dear Council Members

It is not fair to classify permitted short term rental the same as condo units with the right to rent short term instilled by zoning. They already are at a 25% higher tax rate as a result of their permit, but this high increase is not reasonable and will kill our market here on Molokai for any tourism to happen. The nightly rates will dramatically have to increase and there will then be less night occupied and therefore less hotel tax. Isn't that what you are after. More TAX \$\$\$

As it is the restrictions of these permits do not even allow use of the property as extensively as someone may without a permit by limiting the occupancy to 2 people per bedroom (6 total on MKK) AND not even allowing the guests to have anyone over to the house for dinner. Many local people rents these houses and they are not allowed to gather for dinner with their families! These properties do not come with any amenities that you get with Hotels & Resorts. No pool, spa, cabana's, golf course, etc. They are not allowed to use it to get married like many do at resorts. In addition the whole property is being taxed at the high rate as opposed to just the house. Some have acres of unusable land, yet will be taxed on the whole property.

Instead of increases the tax rates why not go after those operating without permits. There are a lot of tax dollars that we be lost if this bill gets passed. Most will go back to be illegal and this time probably not pay the tax because that would be one way of getting caught. The folks that haven't gotten legal should be charged the high tax rate.

We are a different island then Maui and this tax increase should be reconsidered, especially here. Some of these properties are on AG land, and they have to have an AG plan in place to be able to short term rental. They spend all this money doing AG and then you want to charge them higher for doing it!

Mahalo for your time in reading this.

Dayna Harris,R
Molokai Vacation Properties
130 Kamehameha V Why
Kaunakakai, HI 96748
Office 808 553 8334
Fax 808 553 8332
www.molokai-vacation-rental.com
dayna@molokaivacationproperties.com