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**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

November 20, 2023

Mr. Scott Teruya, Director  
Department of Finance  
County of Maui  
Wailuku, Hawaii 96793

Dear Mr. Teruya:

**SUBJECT: REAL PROPERTY TAX EXEMPTION FOR  
PROPERTIES IMPACTED BY NATURAL DISASTERS  
OR WILDFIRES (BFED-35)**

The Committee is in receipt of the correspondence from your Department dated November 8, 2023, transmitting a proposed CD1 version of Bill 105 (2023).

At tomorrow's reconvened meeting of the Budget, Finance, and Economic Development Committee, I am planning to introduce an amendment to Section 3.48.230, Maui County Code, as follows:

**"3.48.230 Damage or destruction by disaster. A.** [In any case of the damage or destruction of] When real property [as the result] is damaged or destroyed because of a tidal wave, earthquake, volcanic eruption, hurricane, fire, or other disaster as defined in Section 127A-2, Hawaii Revised Statutes, or [as the result] because of floodwaters overflowing the banks or walls of a river or stream, the director [is authorized to] may remit taxes due on [such] the property, to the extent and in the manner set forth as follows:

[A.] 1. The director [shall] must determine whether the property was wholly destroyed, or was partially destroyed or damaged, and in the latter event [shall] must determine what percentage of the value of the whole property was destroyed or otherwise lost by reason of the disaster.

[B.] 2. If the property was wholly destroyed, the amount remitted [shall] must be [such] the portion of the total tax on the property for the tax year in which [such] the destruction occurred [as shall constitute] constituting the portion of the tax year remaining after [such] the destruction.

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[C.] 3. If the property was partially destroyed or was damaged, the percentage of the value destroyed or otherwise lost, determined as provided in subsection A of this section, [shall] must be applied to the total tax on the property, and of the amount of tax so determined there [shall] must be remitted [such] the portion [as shall constitute] constituting the portion of the tax year remaining after [such] the partial destruction or damage.

[D.] 4. [Application] An application for a remission of taxes [pursuant to] under this section [shall] must be filed with the director on or before June 30<sup>th</sup> of the tax year involved, or within sixty days after the occurrence of the disaster, whichever is [the] later. Any amount of taxes authorized to be remitted by this section, which has been paid, [shall] must be refunded upon proper application [therefor] out of real property tax collections.

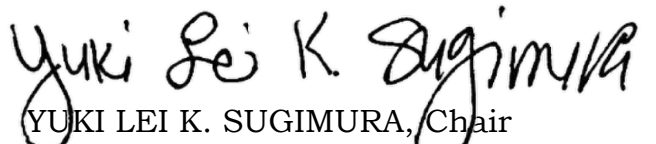
B. Real property that was completely destroyed by the August 2023 Maui wildfires, as determined by the director, are exempt from real property taxes through June 30, 2025.

C. Real property 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 posted on mauirecovers.org, or for which local access was only allowed from 8:00 a.m. to 4:00 p.m. as of November 15, 2023, are exempt from real property taxes through June 30, 2025."

May I please request you review my proposed amendment and provide any comments at tomorrow's reconvened meeting.

Should you have any questions, please contact me or the Committee staff (James Krueger at ext. 7761, or Yvette Bouthillier at ext. 7758).

Sincerely,

  
YUKI LEI K. SUGIMURA, Chair  
Budget, Finance, and Economic  
Development Committee

bfed:ltr:035afn03:jgk

cc: Mayor Richard T. Bissen, Jr.

## BFED Committee

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**From:** BFED Committee  
**Sent:** Monday, November 20, 2023 4:40 PM  
**To:** Scott.Teruya@co.maui.hi.us  
**Cc:** BFED Committee; Steve Tesoro; Didi Hamai; Marcy Martin; Pili Nahooikaika; Zeke Kalua; Michelle Santos  
**Subject:** PLEASE READ attached letter re: REAL PROPERTY TAX EXEMPTION FOR PROPERTIES IMPACTED BY NATURAL DISASTERS OR WILDFIRES (BFED 35)  
**Attachments:** 035afn03 signed.pdf

**Mr. Teruya:** Please refer to the attached letter from the Budget, Finance, and Economic Development (BFED) Committee Chair, **dated November 20, 2023**.

**Mayor's Office (attention: Michelle Santos and Zeke Kalua):** Please forward the attached letter to Mayor Bissen for his information.

Thank you,