

November 21, 2023, BFED Committee meeting

BUDGET, FINANCE, AND ECONOMIC DEVELOPMENT COMMITTEE  
Amendment Summary Form

Legislation: Bill 91 (2023).

Proposer: Council Chair Alice L. Lee.



Description: Amends section 3.48.230, Maui County Code, to provide real property tax relief for property rendered unusable or uninhabitable on or after August 8, 2023, by damage from a wildfire or other emergency or disaster, for one year beginning July 1, 2024.

Motions: Move to substitute Bill 91 (2023) with the proposed CD1 version attached.

Effect: See attached.

Reasons: Provides broader tax relief by making real property rendered unusable or uninhabitable by the August 8, 2023, Maui wildfires exempt from real property taxes, including the minimum tax, for one year beginning July 1, 2024. Limits the need for an application to parcels that have not had all improvements destroyed.

Attachments: Proposed CD1 version of Bill 91 (2023).

paf:cmn:23-335b

ORDINANCE NO. \_\_\_\_\_

BILL NO. 91, CD1 (2023)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY  
CODE, TO PROVIDE REAL PROPERTY TAX RELIEF FOR PROPERTIES  
DAMAGED BY THE AUGUST 8, 2023 MAUI WILDFIRES OR OTHER  
EMERGENCY OR DISASTER

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

SECTION 1. This Ordinance’s purpose is to provide real property tax relief for properties damaged by the August 8, 2023, Maui wildfires or other emergency or disaster.

On August 16, 2023, Mayor Richard T. Bissen, Jr. announced that fiscal year 2024 real property taxes will be waived for improved properties “completely destroyed” during the August 2023 wildfires.

A number of properties are still standing but have been rendered uninhabitable or unusable because of major exterior or interior damage caused by the fires.

The Council finds that both damaged and destroyed properties should be provided real property tax relief.

SECTION 2. Section 3.48.230, Maui County Code, is amended to read 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 of] is damaged or destroyed by a tidal wave, earthquake, volcanic eruption, hurricane, fire, or other disaster as defined in [Section] section 127A-2, Hawaii Revised Statutes, or [as the result

of] by floodwaters overflowing the banks or walls of a river or stream, the director is authorized to 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]. If the property was partially destroyed or damaged, the director must determine [what] the percentage of [the] property 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] as constitutes the portion of the tax year remaining after [such] the destruction.

[C.] 3. If the property was partially destroyed or [was] damaged, the percentage of the value destroyed or [otherwise] lost, determined [as provided in] under 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 portion] as [shall constitute] constitutes 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 30th 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] on proper application [therefor] out of real property tax collections.

B. Real property determined by the director to have been rendered unusable or uninhabitable on or after August 8, 2023, by damage from a wildfire or other emergency or disaster as defined by section 127A-2, Hawaii Revised Statutes, is exempt from real property taxes, including the minimum tax, for one year beginning July 1, 2024, except that if all improvements on the parcel have not been destroyed, an application must be filed with the director by June 30, 2024. As used in this subsection:

“Uninhabitable” means impossible or unsuitable for safe occupancy, living, or habitation and includes structures that are damaged or destroyed by disaster, emergency, loss of major utilities, weather, mold, infestation, or similar circumstances.

“Unusable” means not capable of being used or fit to be used for their intended or entitled purpose, whether due to

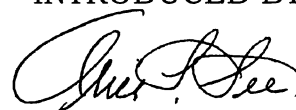
physical, geophysical, topographic, access, disaster,  
emergency, damage, safety, or similar constraints.”

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.

paf:cmn:23-335a

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "Alice L. Lee", written in a cursive style.

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ALICE L. LEE