

EDB Committee

From: Linda and Eric Abel <abel77@cox.net>
Sent: Sunday, May 05, 2019 11:37 AM
To: EDB Committee; Keani N. Rawlins
Cc: Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura; mindy@chasenrainbows.com; Irene Tolbert
Subject: RE: Maui County Budget Hearings - I support fair tax rates

Dear Committee Chair Keani N.W. Rawlins-Fernandez and Economic Development and Budget Committee Members,

We are writing in favor of fair and reasonable tax rates for the vacation rental industry.

Hawaii is our second home which we have had for over 15 years. We have roots to the islands having grown up there, gone to school there, worked there, and learning to surf there. We have life long friends in the islands going back to the 1960's. We continue to spend quality time throughout the year in Maui. Our Hale Mahina Maui home is NOT a hotel, and is NOT a timeshare. It is a small, quiet property with many full-time residents. There is not a restaurant, or typical tourist amenities. It is an apartment-style property. We contribute to the Maui economy through our support of local business, and tax dollars, as do our occasional guests, most of whom come every year and treat Maui as their home as well.

Thank you for considering our testimony and we hope you will think about it as you continue to craft this bill.

Mahalo,

Eric and Linda Abel

3875 Lower Honoapiilani Road A-205
Lahaina, HI 96761

abel77@cox.net

EDB Committee

From: Craig and Kathy Wilmovsky <wilmovsky@yahoo.com>
Sent: Sunday, May 05, 2019 9:17 AM
To: EDB Committee; Keani N. Rawlins; Kelly King; Riki Hokama; Tasha A. Kama; Alice L. Lee; Mike J. Molina; Tamara A. Paltin; Shane M. Sinenci; Yukilei Sugimura
Subject: Short Term Rental Taxes

- **To: Committee Chair, Keani N.W. Rawlins-Fernandez, Vice-Chair, Kelly T. King, Riki Hokama, Tasha Kama, Alice L. Lee, Michael J. Molina, Tamara Paltin, Shane M. Sinenci, and Yuki Lei K. Sugimura,**

My husband and I recently learned that there is a proposal being considered that would raise our Maui County property taxes by reclassifying how our second home would be taxed. This reclassification would effectively raise our tax rate on our second home by 66%. We wanted to express our concerns and disapproval of this proposal.

My husband and I have been coming to Maui for 30 years. We initially purchased a timeshare in Kaanapali, but later decided that we wanted to make Maui our second home. In late 2016 we saw our dream become a reality when we were able to purchase a unit in Papakea. In July 2017 we embarked on an extensive remodel of this unit to realize our dream. When we did this we not only created a wonderful second home for ourselves, but we also invested in the local community by purchasing supplies, materials, and labor from local companies and contractors. We have been able to spend about 7-8 weeks for the last several years enjoying our second home. We are hoping to retire in a few years and plan to spend even more time in our Maui home. In order to make our dream of owning a second home in Maui financially viable, we do rent our unit when we are not occupying it. Renting our unit allows us to earn income to help defray some of the costs of owning a second home in Maui, but it also benefits Maui by bringing in tourists who spend a lot of money on the island. Our **Maui HOME** is NOT a hotel or a timeshare that is rented 24/7 - renting our maui home part-time is our way of being able to share our small piece of paradise with others. Increasing property tax rates on our second home would be an unfair burden to us and to the many others who own a second home on the island. We would have to pass these increased costs on to renters which would negatively impact tourism. Some prospective tourists would no longer be able to afford a vacation to Maui, and others would just spend less on souvenirs and activities on the island. Short term rentals bring in around \$79,500,00 in direct taxable revenue, and has created thousands of jobs which could be jeopardized by such an extreme increase in property taxes.

I ask that you please reconsider this proposal and do not increase property taxes on second homes and short-term rental units.

- Sincerely,
- Kathy Wilmovsky
- 760-799-1534
- Papakea A201