



Legislation Text

File #: BFED-35 Bill 91 (2023), **Version:** 3

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

The Committee is in receipt of the following:

1. Bill 91 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, ON A REAL PROPERTY TAX EXEMPTION FOR PROPERTIES DESTROYED OR DAMAGED BY NATURAL DISASTERS." Bill 91's purpose is to amend Chapter 3.48, Maui County Code, to conditionally exempt properties destroyed or damaged by natural disasters on or after August 8, 2023, from real property taxation for one year beginning July 1, 2024.
2. Bill 95 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO THE AUGUST 2023 FIRES DISASTER EXEMPTION." Bill 95's purpose is to amend Chapter 3.48, Maui County Code, to exempt from real property taxation from July 1, 2023, through June 30, 2025, residential real property within the Lāhainā tax map zone, known as zone four, sections five and six, and other residential real property following the submission to the director of finance of a copy of an insurance claim for damages sustained from the August 2023 Maui wildfires that rendered the property uninhabitable; to exempt real property classified as commercialized residential, TVR-STRH, and hotel and resort that house people displaced by the wildfires from real property taxation, based on the amount of months people are housed, from August 1, 2023, through July 1, 2025; and to allow taxpayers with a home exemption for property damaged or destroyed by the wildfires to maintain their exemption through June 30, 2025.
3. Bill 102 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, TO ESTABLISH AN AUGUST 2023 MAUI WILDFIRES EXEMPTION FROM REAL PROPERTY TAXATION." Bill 102's purpose is to provide real property tax relief for those whose property was destroyed or damaged in the August 2023 Maui wildfires.
4. Correspondence dated October 25, 2023, from Committee Chair Yuki Lei K. Sugimura, transmitting a proposed CD1 version of Bill 102 (2023), entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 3.48, MAUI COUNTY CODE, RELATING TO AN AUGUST 2023 MAUI WILDFIRES EXEMPTION FROM REAL PROPERTY TAXATION." The proposed CD1 version incorporates nonsubstantive revisions and is approved as to form and legality by the Department of the Corporation Counsel.
5. An Amendment Summary Form from Councilmember Tamara Paltin, received November 1, 2023, transmitting a proposed CD1 version of Bill 95 (2023). The proposed CD1 version includes an expiration of the real property tax exemption if damaged or destroyed property is sold during the exemption period, clarifies that partially or completely destroyed property qualifies for the real property tax exemption, allows uninsured property owners to submit photographic evidence of damage or destruction to qualify for the exemption, and allows property classified as non-owner occupied to qualify for the tax exemption for housing a displaced person.
6. Correspondence dated November 8, 2023, from the Real Property Tax Assistant Administrator, transmitting a proposed CD1 version of Bill 95 (2023). The proposed CD1 version conditionally allows all real property tax exemptions in effect for the 2024 tax year on properties where improvements were destroyed, damaged, or made inaccessible by the wildfires to remain

in effect through December 31, 2024; and conditionally provides an exemption for real property occupied as a long-term rental and under signed contract to lease for six or more months and less than twelve consecutive months to the same tenant, who was displaced by the wildfires.

The Committee may consider whether to recommend passage on first reading of Bill 91 (2023), Bill 95 (2023), a proposed CD1 version of Bill 95 (2023), or the proposed CD1 version of Bill 102 (2023), with or without revisions. The Committee may also consider whether to recommend the filing of Bill 91 (2023), Bill 95 (2023), and Bill 102 (2023) and other related action.