How Hawaii’s county lawmakers can provide tax relief to offset higher property assessments

The link between increased valuations and higher property taxes can be broken through rate cuts, exemptions and tax credits

By Jonathan Helton
Dear Reader,

For years, property tax reform in Hawaii has been sidetracked by the persistent myth that our property taxes are low.

It is true that property tax rates in Hawaii are low, but that is only half the story. The property taxes we pay are based on the rates applied to our property values. And since Hawaii’s median home prices are the highest in the nation, the result is that Hawaii property owners actually pay close to the middle on a state-by-state basis.

In addition, Hawaii’s counties do not have to fund public schools, unlike on the mainland. The state picks up that tab, so our counties have to worry about only police, fire, parks, lifeguards, street repairs and other typical county services.

What this all means is that comparisons to mainland property tax rates are fundamentally flawed. Between high property values and differing budget priorities, Hawaii is a pineapple among the oranges.

So when the most recent round of property assessments for all four counties came back with double-digit increases, homeowners came face-to-face with the possibility that their property taxes would also skyrocket.
With our already notoriously high cost of living, a huge tax increase is likely to be more than many families can bear. Landlords have warned that tax hikes might force them to increase rental rates, and homeowners have had a crash course in the world of valuation appeals. Ultimately, property tax increases could further fuel the ongoing exodus of Hawaii residents to the mainland.

At the time of this writing, all of the counties are considering measures that would provide property tax relief. If enacted, those policies would help in the short term. But, looking ahead, lawmakers would do well to consider providing more permanent relief.

In this report, the Grassroot Institute of Hawaii identifies a variety of strategies – assessment “circuit breakers,” exemptions, indexing, rate cuts and more – that would provide immediate tax relief and protect Hawaii property owners from drastic tax increases in the future.

Property taxes affect everyone in Hawaii. Let’s create permanent property tax relief for all to ensure that no one else gets “priced out of paradise.”

Keli’i Akina, Ph.D.
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Executive summary

Fueled by inflation and the state’s ongoing housing shortage, property values have shot up across Hawaii over the past two years. As a result, all four of the state’s counties saw their property tax revenues balloon in fiscal 2023.

Hawaii County’s revenues grew by 19.81%, Kauai’s by 19.23%, Maui’s by 12.4% and Honolulu’s by 9.14%. This windfall could be seen as a positive outcome for county budgets, but many isle residents have bemoaned the potential higher tax burden.

This report outlines the structure of Hawaii’s real property tax system and suggests smart, actionable reforms that all four counties could adopt to lessen the financial burden for residents who are already feeling crushed by the state’s high cost of living.

In particular, counties should consider slashing property tax rates, increasing homeowner exemptions, expanding low income tax credits and extending relief to renters and businesses.
Introduction

When the City and County of Honolulu announced on Dec. 12, 2022, that property assessments were up 12.4%,1 Oahu residents were not thrilled.

A barrage of letters-to-the-editor appeared in the Honolulu Star-Advertiser,2 and prominent local figures took to newspapers,3 radio4 and the Council chambers5 to protest the potentially catastrophic tax bills that could result.

And Honolulu’s experience isn’t unique. County lawmakers across the islands talked about lowering their property taxes for the current 2023 tax year, but not all provided relief. Several bills were proposed on Hawaii island, but none passed, while a bill on Maui raised the tax rates on some properties and lowered them on others.6

With property values statewide continuing to increase, county governments are likely to realize a windfall again in the coming fiscal year. So, what will they do with it?

Many Hawaii residents have have chosen to flee the state’s continually increasing taxes and other costs of living, leaving the state in record numbers for the past six years.7 If state and county lawmakers have any interest in reversing that exodus, property tax reform needs to be on their agenda.

Counties should consider slashing property tax rates, increasing homeowner exemptions, expanding low income tax credits and extending relief to renters and businesses.
Property taxes in Hawaii explained

**Taxing power delegated to the counties**

Hawaii’s real property tax system is unique in the United States because the state Constitution delegates all property tax powers to the counties. The state is not allowed to create laws regarding property taxes, and recent state attempts to amend the Constitution to remove this constraint have failed.8

Article VIII, Section 3, of the Hawaii Constitution states that:

“The taxing power shall be reserved to the State, except so much thereof as may be delegated by the Legislature to the political subdivisions, and except that all functions, powers and duties relating to the taxation of real property shall be exercised exclusively by the counties, with the exception of the county of Kalawao.”9

This clause means each county has broad authority over its property taxes. A list of the classifications and rates for each county can be found in Appendix I of this report.

**Property taxes do not fund public schools**

Hawaii’s property tax system also is unique because Hawaii’s counties do not use any of the property taxes they collect to fund K-12 education; the state government picks up almost 100% of that tab.10 Instead, Hawaii’s counties use their property taxes to fund police, fire, parks, lifeguard and other public services.11

As could be expected, Hawaii’s counties depend on property taxes for a significant portion of their revenue. Table 1 shows the specific breakdown by county for fiscal year 2023:

<table>
<thead>
<tr>
<th>County</th>
<th>Revenue Breakdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maui</td>
<td>47.30%</td>
</tr>
<tr>
<td>Hawaii</td>
<td>54.93%</td>
</tr>
<tr>
<td>Honolulu</td>
<td>46.80%</td>
</tr>
<tr>
<td>Kauai</td>
<td>66.28%</td>
</tr>
</tbody>
</table>

Other sources of revenue for the counties include fees for licenses and permits, general excise tax surcharges, transient accommodation taxes and state and federal aid.

**Property taxes linked to property valuations**

Hawaii’s property tax rates are set by the counties, and like many counties across the U.S., they are based on annual property value assessments.12 Appendix II of this report lays out the assessment timelines for each of Hawaii’s four counties.

Property assessments are based on the so-called fair market approach to valuation. The fair market value of a property is presumed to be the amount the property would sell for on the open market.13 County assessors base their estimates of fair market value on the sales prices of similar properties sold recently in the area.

Because property assessments tend to increase over time14 — whether due to supply constraints, increased demand or inflation — property tax revenues also tend to increase.

Higher assessments, however, do not automatically guarantee higher property tax bills. Hawaii’s county councils are required to set their rates each year, and often raise or lower them based on policy or budget priorities. In general, the four counties certify their tax rates in late June.

**Isles’ property tax burden near national average**

Compared to other large U.S. cities, Honolulu’s property tax rates are relatively low, as shown in Table 2 on page 6. In fact, as a state, Hawaii has the lowest property tax rates in the country.15 But a simple comparison of tax rates can be deceptive.
**Figure 1: Where do people pay the most in property taxes?**

**Median Property Taxes Paid by County 2020 (5-year estimate)**

- $4,000+
- $3,525-$4,000
- $3,050-$3,525
- $2,575-$3,050
- $2,100-$2,575
- $1,625-$2,100
- $1,150-$1,625
- $675-$1,150
- $200-$675

**Table 2: Effective property tax rates on median-valued homes across the U.S., 2021**

<table>
<thead>
<tr>
<th>Highest</th>
<th>Lowest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detroit (Mich.) 47.30%</td>
<td>Charleston (W.Va.) 0.59%</td>
</tr>
<tr>
<td>Newark (N.J.) 54.93%</td>
<td>Denver (Colo.) 0.53%</td>
</tr>
<tr>
<td>Aurora (Ill.) 46.80%</td>
<td>Boston (Mass.) 0.51%</td>
</tr>
<tr>
<td>Portland (Ore.) 66.28%</td>
<td>Charleston (S.C.) 0.49%</td>
</tr>
<tr>
<td>Milwaukee (Wis.) 2.48%</td>
<td>Honolulu (Hawaii) 0.30%</td>
</tr>
</tbody>
</table>

**Figure 2: Hawaii property tax revenues, fiscal years 2012-2023**

- Honolulu
- Maui
- Hawaii
- Kauai
- State total

<table>
<thead>
<tr>
<th>Year</th>
<th>Honolulu</th>
<th>Maui</th>
<th>Hawaii</th>
<th>Kauai</th>
<th>State total</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>13</td>
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<td>23</td>
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</tbody>
</table>
Since the overall impact of a county’s property tax is a function of both its rates and property values, and Hawaii has some of the country’s highest property values, the state’s low county property tax rates and high home values effectively work to cancel each other out.17

Based on how much property owners actually pay nationwide, the property tax bills for owner-occupied Hawaii homes in 2019 were 29th highest in the country.18

Figure 2 on page 6 shows how property tax collections in Hawaii have increased over time.

**How the property tax burden is distributed**

So, who pays Hawaii’s property taxes? In 2017, a study by the state Department of Business, Tourism and Economic Development found that in 2016, Hawaii residents paid 67.8% of the property taxes in the state, mainlanders 29.9% and foreigners 2.4%.19

To be clear, mainlanders and foreigners do not own 32.3% of all Hawaii properties. Rather, their properties tend to be higher valued, leaving them to pay a greater share than average Hawaii residents.

For example, in 2017 mainlanders and foreigners owned or managed only 12.5% of residential and related properties but paid more than 20% of the property taxes for residential and related properties.20

For hotels and resort properties, which tend to be valued higher, mainlanders and foreigners owned or managed 68.2%.

And among the state’s industrial and commercial properties, mainlanders and foreigners owned or managed 15.2%.21

Based on how much property owners actually pay nationwide, the property tax bills for owner-occupied Hawaii homes in 2019 were 29th highest in the country.

![Figure 3: Property taxes, all categories of land (2016)](image-url)
Tax-relief programs in the counties

In addition to taxing different categories of property at different rates, each county in Hawaii has various measures in place to protect homeowners and renters from sudden increases in property values.

These programs include simple rate cuts; exemptions that lower the taxable value of the properties; tax credits for low income families and individuals; and assessment caps that limit how much assessed values can change year-to-year.

Property owners also can appeal their assessments if they believe county assessors erred in their valuations.

To provide further relief, counties should consider enhancing these existing policies or enacting new ones, as well as extending additional relief to renters and businesses. Such measures include:

**Discretionary rate cuts**

The most straightforward way to counteract rising assessments is to cut property tax rates.

Maui County used this tactic for the current fiscal 2023 tax year, reducing the rates on owner-occupied homes from $2.41 to $2 per $1,000 for Tier 1 homes and from $2.51 to $2.10 per $1,000 for Tier 2 homes.

Speaking before the vote on the reductions, then-Council Vice Chair Keani Rawlings-Fernandez said: “It really was wonderful that this Council is so aligned in its shared goals of providing tax relief to residents this year, and it’s reflected in this real property tax rates.”

On the other hand, the Council increased tax rates on non-owner-occupied properties and short-term rentals. But overall its actions showed that rate cuts are feasible.

For example, if the rate of a $1 million home were cut from 0.1% to 0.05%, the home’s tax bill would decrease to $5,000. For a $2 million home, that would equate to $10,000. In this case, the owner of the $2 million house would reap a bigger dollar savings from the rate reduction than the owner of the $1 million house.

But of course, the inverse is also true. A 0.15% rate would increase the tax bill on the $1 million house by $5,000, and on the $2 million house by $10,000.

Should lawmakers wish to provide targeted relief to lower-income property owners, there are other policies – discussed below – that can complement or supplement rate reductions.

**Homeowner exemptions**

Each county in Hawaii offers exemptions aimed at reducing the tax burden faced by certain homeowners, such as disabled individuals and the elderly. These exemptions usually come in the form of a set dollar amount that property owners can deduct from the assessed value of their properties.

A homeowner exemption, for example, might allow qualified homeowners to deduct $100,000 from the value of their homes for tax purposes. This means a $1 million home would be taxed as if it were worth only $900,000.

Table 3 on page 9 lists each county’s homeowner exemptions and their dollar amounts.
In each county, qualified homeowners generally need only apply once. After the exemptions are granted, they typically renew automatically until the homeowners move, sell their homes or die. Maui,24 Hawaii,25 Honolulu26 and Kauai27 all have automatic exemptions in some form or fashion.

Homeowner exemptions are not perfect, however. Among other issues, some homeowners inevitably forget to apply, while others might not even know they’re eligible.

Statewide figures are difficult to obtain, but a November 2022 Honolulu County report estimated that only 58% of residential-class parcels in Honolulu received the homeowner exemption during fiscal 2023, suggesting some homeowners might have missed out.28

In addition to missing out on relief provided by the exemption, homeowners who forget to file might also face higher tax rates. In Honolulu, for example, homes valued above $1 million that do not receive home exemptions are taxed at the higher Residential A rate, because the city assumes that they are not owner-occupied 29

Hawaii’s counties should take steps to ensure that all homeowners receive any exemptions for which they qualify.

Boston, Massachusetts, serves as a model for homeowner exemptions. The city grants home exemptions equal to 35% of the area’s median home value. In 2021, this meant that qualified homes received a $295,503 exemption.30 Granting an exemption based on a percentage of the median home value ensures that the home exemption adjusts in response to real estate prices each year.

Hawaii County already incorporates elements of this percentage exemption, since its homeowner exemption is a combination of $50,000 and 20% of the value of the home, not to exceed $100,000.

Another policy option would be for Hawaii’s counties to automatically adjust their homeowner, kupuna
and other exemptions to inflation. As it stands now, each exemption is set at a fixed-dollar figure by statute, and any change requires approval by the county councils, which can result in sporadic relief that can quickly be whittled away by inflation and increased property values.

Several bills proposed by Honolulu lawmakers in early 2022 would have indexed the county’s homeowner exemption to inflation.31

Kauai offers a creative “home preservation” program. Homeowners who have owned and lived in their homes for at least 10 years, have household incomes of $100,000 or less and meet several other criteria can qualify for a preferential tax rate. This rate is the higher of $500 or 3% of the household’s income.32 Kauai County estimates its home preservation program saved homeowners $60,659 in fiscal 2022.33

Low income tax credits

Low income tax credits, also known as circuit breakers, protect low-income homeowners from property tax increases. Since some homeowners might be “land rich, cash poor,” circuit breakers can serve as important tools to ensure that owners are not forced to give up basic necessities or sell their homes simply because their property tax bills are too high.

Honolulu, Maui and Kauai counties each have a variation of a circuit breaker already in place. Hawaii County does not.

Kauai’s circuit breaker has several admirable characteristics that the other counties would do well to emulate.

First, its income limit is indexed to cost-of-living changes, so it does not erode over time.

Second, it does not place a limit on the value of the home. Some individuals, such as those who are retired, might own homes that have rapidly appreci-
ated over the past several years while their incomes remained stagnant. They should not be unduly burdened simply because of a hot real estate market.

But Kauai’s circuit breaker is not perfect. Across the state, many households that earn more than 50% of the area median income are also struggling to make ends meet.

In addition, indexing a credit to cost-of-living changes can seem attractive on paper but would likely mean an additional workload for county departments. Counties would benefit from providing adequate time for staff to access federal median income statistics to streamline the process for both staff and taxpayers.

At a minimum, all counties should consider increasing the income limits of their circuit breakers. A recent bill in Honolulu, for example, proposed increasing the property tax credit from a fixed dollar amount of $60,000 to 80% of the area median income.41

**Assessment limits**

In addition to exemptions and circuit breakers, some counties and states across the country utilize assessment caps to limit the amount by which a property’s assessed value can change year-to-year.

California’s Proposition 13, which substantially limited property tax revenues, is one of the most well-known property assessment caps.42

Hawaii and Kauai counties both have assessment caps in place for owner-occupied properties.

Hawaii County’s cap guarantees that owners who receive the homeowner exemption or who operate affordable rentals are protected from massive valuation changes. Assessed values for these properties cannot increase by more than 3% year-to-year, effectively limiting the taxable value of the property.43

Kauai’s cap operates in a similar manner by preventing assessments on owner-occupied houses and long-term affordable rentals from rising or falling by more than 3% each year.44

When a property that is subject to an assessment cap is sold, it is reassessed at full market value. The assessment cap is then applied to that new value, so long as the new owner qualifies for the cap.45

When used on a wide scale, as in California under Prop 13, assessment caps can become controversial because owners of similar properties can wind up paying wildly different tax bills depending on how long they own the property.46 Nevertheless, many
property owners — especially those who have owned their homes for a long time — can benefit from assessment caps.47

Both Hawaii and Kauai counties should consider studying the effectiveness of their assessment caps. In particular, they should investigate how much of a tax benefit the caps provide homeowners and whether they are the most equitable mechanism to provide relief.

In both counties, a property owner must have a homeowner exemption in order to be eligible for the assessment cap. This suggests that rate cuts and larger exemptions, instead of assessment caps, might be a more straightforward way to provide property tax relief.

### Renter protections

Throughout the state, many lower- and middle-income individuals and families are not directly responsible for paying property taxes because they do not own homes.48 However, they often foot the bill for property tax increases in the form of higher rent.49

Lawmakers interested in reducing the overall burden of property taxes should look for ways to provide relief to renters as well.

Existing forms of relief vary from county to county. In addition to the assessment caps outlined earlier, Hawaii’s counties provide both preferential rates and complete exemptions for rental housing.

Hawaii and Maui counties provide relief to rental properties explicitly through separate rate categories.50 In fiscal 2023, Hawaii County taxed affordable rentals at the same rate as owner-occupied properties, while Maui County provided a special rate for long-term rentals based on their assessed value. Maui also offers long-term rentals a $200,000 exemption,51 while certain Honolulu rental properties can apply for the homeowner exemption.52

Honolulu and Kauai counties offer some rental units the same rate as their owner-occupied units, subject to certain conditions.53

Hawaii County does not classify apartments as long-term rentals and taxes them at a higher rate. Meanwhile, Honolulu includes higher-value rentals in its Residential A classification, which in fiscal 2023 were taxed at a higher rate than the Residential classification.

The various county tax rates on rental properties are attached in Appendix I.

Honolulu, Kauai and Maui counties totally exempt certain affordable rentals from the property tax, subject to a wide array of stipulations.54 Hawaii County also totally exempts certain low- and moderate-income housing projects from all taxes except the minimum tax of $300.55

### Appeals

As a tool of last resort, counties allow property owners to appeal their assessments when they believe that county assessors have erred in their valuations.

Across the state, property owners are allowed to appeal their assessments based on very specific criteria. Homeowners who believe their assessments were unfairly conducted or resulted in a percentage higher than they should have could have grounds for appeal.

Counties also allow appeals in cases where tax relief — such as a tax credit — was wrongfully denied.56

As evidence of the frustration that many property owners have felt over the past year, appeals in Hawaii County ballooned in fiscal 2023. The Hawaii County Real Property Tax Board of Review reported that 835 property owners appealed their assessments — up from 345 the year before.57 In Honolulu, the three Real Property Assessment Boards of Review were inundated with more than 2,000 appeals for the fiscal 2024 assessments.58

At the very least, Hawaii’s counties should allow residents and businesses the option of appealing their property tax bills when they forget to apply for exemptions, circuit breakers and other existing forms of relief.
Both Hawaii and Kauai counties should consider studying the effectiveness of their assessment caps. In particular, they should investigate how much of a tax benefit the caps provide homeowners and whether they are the most equitable mechanism to provide relief.

Additional relief mechanisms

Hawaii’s counties do not need to be limited to updating relief mechanisms that are already in place. Since property tax systems are highly localized across most of the U.S., there are numerous case studies and examples to provide guidance on how to model effective tax relief.

The Lincoln Institute of Land Policy, a nonprofit foundation dedicated to improving quality of life through the effective use, taxation and stewardship of land, produced a report in 2021, “Property Tax Relief for Homeowners,” that includes many of the suggestions mentioned in this report, in addition to other relief mechanisms that can make it easier for homeowners to afford their property tax bills.59

Those other relief mechanisms include deferrals, monthly payment options, carefully designed assessment policies and “truth in taxation.”

Truth in Taxation

Across the country, some local governments are subject to strict revenue caps that ensure automatic rate cuts. This bold measure could also restrain the growth of property taxes in Hawaii.

Utah’s Truth in Taxation law, for example, limits the growth of property tax revenues that local governments can collect each year. Revenues must stay the same year-over-year, except for new construction. This means that as properties appreciate over time, the tax rate falls in tandem to ensure the government collects the same amount of revenues.60

The only way for a locality in Utah to increase tax revenues is to go through the Truth in Taxation process, which requires extensive public outreach and hearings on the proposed revenue hike. Some have criticized the policy for incentivizing localities to raise rates sharply and intermittently to avoid going through the Truth in Taxation process on a frequent basis,61 but it cannot be denied that Truth in Taxation has successfully limited the growth of property tax revenues in Utah.62

According to the Lincoln Institute: “These laws promote voter engagement in debate on the appropriate level for property tax rates and help elected officials gauge the electorate’s views on tax burdens and service needs. The resulting publicity, accountability and transparency can themselves serve to discourage marginal additional spending that might otherwise follow a ‘silent’ tax increase.”63

Hawaii’s counties already notify property owners of their assessments each year,64 but they could
strengthen this notification by mailing out notices when their county councils hold meetings to determine their tax rates or when assessed values or revenues are projected to grow by a certain amount. Those notices could include information on the proposed rates and how much the tax bills are projected to change compared to the previous year.65

Business relief

In addition to providing relief for homeowners and renters, counties should look at granting relief to businesses as well.66 Commercial properties face higher rates than residential properties across all four counties.

Last year, Hawaii County businesses clamored for relief, but to no avail.67 Wendy Laros, president and CEO of the Kona-Kohala Chamber of Commerce, warned of the danger of higher property taxes.

Speaking to a reporter from the Hawaii Tribune-Herald, Laros said: “We should all be very concerned about the increased costs of doing business in Hawaii. Businesses need to survive to offer needed products and services, provide jobs for our community and to support our local government by paying taxes.”68

The simplest way to help businesses with their property taxes would be to slash the rates on all commercial properties.

The counties could also consider relief targeted at small businesses or firms that have operated in Hawaii for a certain number of years.

For example, the District of Columbia operates a program that grants small retailers a property tax credit under certain circumstances. Businesses must have $2.5 million or less in annual income to be eligible. The tax credit can be redeemed for $5,000, the total property tax bill or 10% of the business’ rent costs – whichever is less.69

Alternatively, the councils could consider a homeowner-style exemption for commercial properties. This program could exempt a certain dollar figure – say, $50,000 – of a commercial property’s assessed value for tax purposes. This would provide relief across the board, but it would particularly benefit smaller businesses that spend significant sums of money on rent or property upkeep.
Conclusion

As the demand for land and homes drives property values higher, Hawaii’s counties have been reaping the benefits in the form of increased property tax revenues. Should there be a limit on how much?

Hawaii residents, especially the most vulnerable, should not be punished by a hot real estate market. As inflation adds to the state’s high cost of living and a slowing economy threatens job and income growth, county lawmakers should be looking for ways to limit their property tax revenues – which seem to be going nowhere but up.

Slashing tax rates, increasing homeowner exemptions, expanding low-income tax credits and extending relief to renters and businesses would provide much-needed financial relief for Hawaii residents – many of whom are considering moving to the mainland in search of more affordable places to live.

Reducing tax rates would be the most straightforward way to provide relief, but streamlining and improving existing exemptions and credits could be more politically workable in some cases.

Certain counties might even find it useful to create entirely new exemptions or relief programs. In those instances, lawmakers should seek public input to ensure the new policies are clearly communicated, understood and reasonably designed.

Above all, county lawmakers should strive for reforms that are simple and fair. New policies do not need to be complex to effect meaningful change.

Property tax reform is just one tool lawmakers could use to make Hawaii more affordable. But it could provide much-needed relief by significantly lowering the cost of owning a home or running a business.
### Appendix I

#### REAL PROPERTY TAX RATES FOR TAX YEAR JULY 1, 2022 TO JUNE 30, 2023

<table>
<thead>
<tr>
<th>County</th>
<th>Class</th>
<th>Tax Rate Per $1,000 Net Taxable Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honolulu</td>
<td>Agricultural</td>
<td>$5.70</td>
</tr>
<tr>
<td></td>
<td>Vacant Agricultural</td>
<td>$8.50</td>
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<td>Bed and Breakfast Home</td>
<td>$6.50</td>
</tr>
<tr>
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<td>Commercial</td>
<td>$12.40</td>
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<tr>
<td></td>
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<td>$5.70</td>
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<td></td>
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Source: Technical Branch, Real Property Assessment Division, Department of Budget and Fiscal Services, City and County of Honolulu. August 2022
## Appendix II

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<th>Honolulu</th>
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<td>Tax year begins</td>
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<tr>
<td>July 20</td>
<td>First half of year tax bills mailed</td>
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<td>First half of year tax bills due</td>
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<td>Sep. 1</td>
<td>Deadline to file dedication petitions</td>
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<td>Second half of year tax bills due</td>
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<tr>
<td>June 30</td>
<td>End of tax year</td>
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<table>
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<td>Deadline for Council to set tax rates</td>
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<td>June 30</td>
<td>End of tax year</td>
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</table>
Endnotes


17 Celia Fernandez, “These are the top 5 most expensive states to buy a house in 2022,” CNBC, Sept. 20, 2022.
18 “Facts & Figures: How Does Your State Compare? (2022),” Table 34.
20 “An Analysis of Real Property Tax in Hawaii,” pp. 5-6. Note that this 12.5% statistic includes mainland, foreign and properties jointly managed or owned with Hawaii residents.
21 “An Analysis of Real Property Tax in Hawaii,” p. 5. Note that these statistics include mainland, foreign and properties jointly managed or owned with Hawaii residents.
23 Ibid.
24 “Real Property Tax – Exemptions,” Maui County, accessed Jan. 22, 2023. See Question 9: “No, the exemption will remain in effect unless there is a change in status, such as moving, death, renting the home, or no longer meeting the requirements from question 3 above.”
27 Mike Hubbard, County of Kauai Finance Department, Real Property Assessment Division, personal communication, Feb. 2, 2023.
28 “Honolulu Real Property Taxes,” Honolulu County presentation to the Oahu Chapter of the National Association of Residential Property Managers, Nov. 22, 2022, p. 3.
33 “Resolution Establishing the Real Property Tax Rates for the Fiscal Year July 1, 2021 to June 30, 2022 for the County of Kauai,” Kauai County Council, June 2, 2022, Exhibit I.
34 Revised Ordinances of Honolulu, § 8-13.2 Real property tax credit established., accessed April 4, 2023.
35 Uniform Information Practices Act request filed with the Honolulu Department of Budget and Fiscal Services, Dec. 8, 2022.
37 “FY 2022 Council Adopted Budget,” Maui County, p. 102.
38 “2022 Annual Income Limits,” County of Kauai, April 25, 2022.
40 “Resolution Establishing the Real Property Tax Rates for the Fiscal Year July 1, 2021 to June 30, 2022 for the County of Kauai,” Kauai County Council, June 2, 2022, Exhibit I.
44 Kaua’i County Code, Title III, Chapter 5A, Article 11A. Limitation of Taxes, Sec. 5A-11A.3 Assessment Cap for Home Exemption Property and Property Used For Long Term Affordable Rental, accessed Jan. 23, 2023.
45 Ibid.


Revised Ordinances of Honolulu, § 8-10.4 Home, lease, lessees defined, accessed April 4, 2023.

Revised Ordinances of Honolulu, § 8-10.17 Exemption–Low-income rental housing, and § 8-10.33 Exemption–Qualifying affordable rental dwelling units or affordable rental housing units., accessed April 4, 2023; Kauaʻi County Code, Title III, Chapter 5A, Article 11. Sec. 5A-11.20 Exemption for Low and Moderate-Income Housing., accessed Jan. 24, 2023; and Maui County Code of Ordinances, Title 3, Chapter 3.48, Article IX. - Exemptions, Sec. 3.48.496, accessed Jan. 24, 2023.


Lee Davidson, “Did Truth in Taxation law backfire? It led many Utah cities to dodge tax hikes for years, only to double them now.” Salt Lake Tribune, July 15, 2018.

Lee Davidson, “Did Truth in Taxation law backfire? It led many Utah cities to dodge tax hikes for years, only to double them now.” Salt Lake Tribune, July 15, 2018.


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