



A BILL FOR AN ORDINANCE

RELATING TO THE REAL PROPERTY TAX CREDIT FOR LOW-INCOME HOMEOWNERS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to modify the requirements regarding the real property tax credit for low-income homeowners.

SECTION 2. Section 8-13.2, Revised Ordinances of Honolulu 1990 ("Real property tax credit established"), as amended, is amended to read as follows:

"Sec. 8-13.2 Real property tax credit established.

- (a) An owner [shall be] is entitled to a real property tax credit equal to the amount by which the taxes [calculated] owed for the same tax year in which the application is filed for the property exceed four percent of the titleholders' income, provided:
- (1) The owner has been granted the home exemption under Section 8-10.4 at the time the application is filed;
 - (2) The taxes owed for the same tax year [immediately succeeding the date of the application] in which the application is filed for the tax credit exceed four percent of the titleholders' combined income for the calendar year immediately preceding the date of the application;
 - (3) The combined income of all titleholders of the property for the calendar year immediately preceding the date of the application does not exceed [\$50,000;] \$60,000;
 - (4) No titleholder owns any other real property anywhere during the applicable tax year;
 - (5) The titleholders have not violated Section 8-13.5;
 - (6) The amount of the tax after applying the credit [shall] is not [be] less than the minimum tax required in Section 8-11.1(g);
 - (7) If the taxes owed less any other one-time tax credit are less than or equal to four percent of all titleholders' combined income for the calendar year



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immediately preceding the date of the application, no credit shall be applied;

- (8) The titleholder(s) of the property filed income tax returns, if required under Hawaii income tax law and under Internal Revenue Service regulations, on or before filing an application for a tax credit; and
 - (9) The grant of the application of a tax credit [shall entitle] entitles the owner to a credit only for the [succeeding] tax year[.] succeeding the tax year in which the application was filed. There [shall] will be no carryover tax credit.
- (b) In lieu of the property tax credit provided in subsection (a), an owner otherwise qualifying for the tax credit under subsection (a) where any titleholder is 75 years of age or over on or before June 30th preceding the tax year for which the credit is claimed and the combined income of all titleholders to the applicable property for the calendar year immediately preceding the date of the application does not exceed [~~\$50,000,~~ \$60,000, [shall be] is entitled to a real property tax credit equal to the amount by which the taxes [calculated] owed for the property for the tax year in which the application was filed exceed three percent of the titleholders' combined income."

SECTION 3. Ordinance material to be repealed is bracketed. New ordinance material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, bracketed material, or the underscoring.



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SECTION 4. This ordinance takes effect upon its approval and will apply to applications due on September 30, 2015 and every year thereafter.

INTRODUCED BY:

Ann Kobayashi

Ernest Martin

DATE OF INTRODUCTION:

August 7, 2014
Honolulu, Hawaii

_____ Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Susan A. Bender
Deputy Corporation Counsel Susan A. Bender

APPROVED this 23rd day of October, 2014.

Kirk Caldwell
KIRK CALDWELL, Mayor
City and County of Honolulu

CITY COUNCIL,
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

ORDINANCE 14-33

BILL 54 (2014), CD2

Introduced: 08/07/14

By: ANN KOBAYASHI

Committee: BUDGET

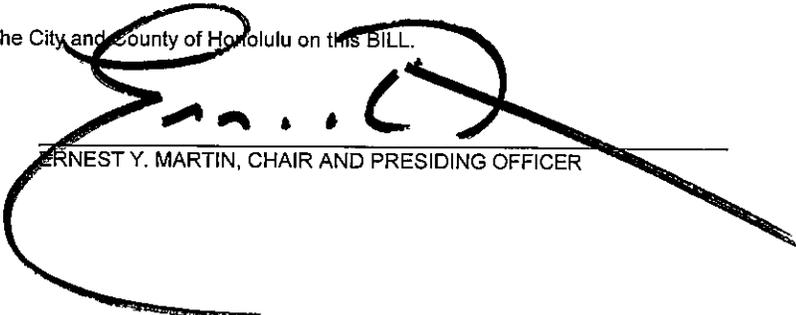
Title: A BILL FOR AN ORDINANCE RELATING TO THE REAL PROPERTY TAX CREDIT FOR LOW-INCOME HOMEOWNERS.

Voting Legend: * = Aye w/Reservations

08/13/14	COUNCIL	BILL PASSED FIRST READING AND REFERRED TO COMMITTEE ON BUDGET. 9 AYES: ANDERSON, CHANG, FUKUNAGA, HARIMOTO, KOBAYASHI, MANAHAN, MARTIN, MENOR, PINE.
08/27/14	BUDGET	CR-245 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON SECOND READING AND SCHEDULING OF A PUBLIC HEARING AS AMENDED IN CD1 FORM.
08/30/14	PUBLISH	PUBLIC HEARING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER
09/10/14	COUNCIL/[PUBLIC HEARING	CR-245 ADOPTED. BILL PASSED SECOND READING AS AMENDED, PUBLIC HEARING CLOSED AND REFERRED TO COMMITTEE ON BUDGET. 8 AYES: ANDERSON, CHANG, FUKUNAGA, HARIMOTO, KOBAYASHI, MANAHAN, MARTIN, MENOR. 1 ABSENT: PINE.
09/17/14	PUBLISH	SECOND READING NOTICE PUBLISHED IN THE HONOLULU STAR- ADVERTISER.
09/17/14	BUDGET	CR-276 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON THIRD READING AS AMENDED IN CD2 FORM.
10/08/14	COUNCIL	CR-276 ADOPTED AND BILL 54 (2014), CD2 PASSED THIRD READING AS AMENDED. 9 AYES: ANDERSON, CHANG, FUKUNAGA, HARIMOTO, KOBAYASHI, MANAHAN, MARTIN, MENOR, PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this BILL.


BERNICE K. N. MAU, CITY CLERK


ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER