

**OAHU REAL PROPERTY TAX ADVISORY COMMISSION
RECOMMENDATION TO DEFINE “CHARITABLE NON-PROFIT ORGANIZATION” IN SEC. 8-10.10
THURSDAY, NOVEMBER 21, 2019
By Commissioner Natalie Iwasa**

ROH Sec. 8-10.10 is entitled “Exemption – Charitable purposes.” Nowhere in the section is “charitable” or “charitable non-profit organizations” defined. In addition, according to the 2011 Real Property Tax Advisory Commission’s report, the administrative staff was forced to apply an “uneven interpretation” to this exemption.

ROH Sec. 6-52.2 defines charitable non-profit organizations with respect to the city’s Grants in Aid Fund as follows:

“Charitable non-profit organization” means an organization that can establish that it:

- (1) Is exempt (or would be qualified for an exemption) from federal income tax pursuant to Section 501 of the United States Internal Revenue Code; and
- (2) Is organized and operated exclusively for religious, charitable, scientific or educational purposes on a non-profit basis in which no part of the net earnings of the organization inures to the benefit of any private individuals.”

RECOMMENDATION

To clarify the purpose of this exemption, the Commission recommends that ROH Sec. 8-10.10 be amended to include a definition of charitable non-profit organizations the same as that of ROH Sec. 6-52.2.