



A BILL FOR AN ORDINANCE

RELATING TO REAL PROPERTY TAXATION.

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

SECTION 1. Purpose. The purpose of this ordinance is to amend certain provisions of the Revised Ordinances of Honolulu 1990, as amended, relating to real property taxation.

SECTION 2. Section 8-10.4, Revised Ordinances of Honolulu 1990, as amended ("Homes"), is amended by amending subsection (a) to read as follows:

"(a) Real property owned and occupied only as the owner's principal home as of the date of assessment by an individual or individuals, shall be exempt only to the following extent from property taxes:

- (1) Totally exempt where the value of a property is not in excess of \$40,000.00;
- (2) Where the value of the property is in excess of \$40,000.00, the exemption shall be the amount of \$40,000.00.

Provided:

- (A) That no such exemption shall be allowed to any corporation, copartnership or company;
- (B) That the exemption shall not be allowed on more than one home for any one taxpayer;
- (C) That where the taxpayer has acquired the taxpayer's home by a deed made on or after July 1, 1951, the deed shall have been recorded on or before September 30th immediately preceding the year for which the exemption is claimed;
- (D) That a husband and wife shall not be permitted exemption of separate homes owned by each of them, unless they are living separate and apart, in which case they shall be entitled to one exemption, to be apportioned between each of their respective homes in proportion to the value thereof; and



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- (E) That a person living on premises, a portion of which is used for commercial purposes, shall not be entitled to an exemption with respect to such portion, but shall be entitled to an exemption with respect to the portion thereof used exclusively as a home.

For the purposes of this section, "real property owned and occupied only as the owner's principal home" means occupancy of a home in the city with the intent to reside in the city. Intent to reside in the city may be evidenced by, but not limited to, the following indicia: occupancy of a home in the city for more than 270 calendar days of a calendar year; registering to vote in the city; being stationed in the city under military orders of the United States; and filing of an income tax return as a resident of the State of Hawaii, with a reported address in the city. The director may demand documentation of the above or other indicia of intent to reside in the city from a property owner applying for an exemption or from an owner as evidence of continued qualification for an exemption. Failure to respond to the director's request shall be grounds for denying a claim for an exemption or disallowing an existing exemption.

In the event the director receives satisfactory evidence that an individual occupies a home outside the city and there is documented evidence of the individual's intent to reside outside the city, that individual shall not be qualified for an exemption or continued exemption under this section, as the case may be.

Notwithstanding any provision to the contrary, for real property held by a trustee or other fiduciary, the trustee or other fiduciary shall be entitled to the exemption where: (i) the settlor of the trust occupies the property as the settlor's principal home; or (ii) the settlor of the trust dies and a beneficiary entitled to live in the home under the terms of the trust document occupies the property as the beneficiary's principal home."

SECTION 3. 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, the bracketed materials or the underscoring.



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SECTION 4. This ordinance shall take effect upon its approval.

INTRODUCED BY:

Ann Kobayashi

DATE OF INTRODUCTION:

July 28, 2004

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Fusan A. Bender
Deputy Corporation Counsel

APPROVED this 9th day of March, 2005.

Mufi Hannemann
MUFU HANNEMANN, Mayor
City and County of Honolulu

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

ORDINANCE **05 - 004**

BILL **50 (2004)**

Introduced: 7/28/04 By: ANN KOBAYASHI

Committee: BUDGET

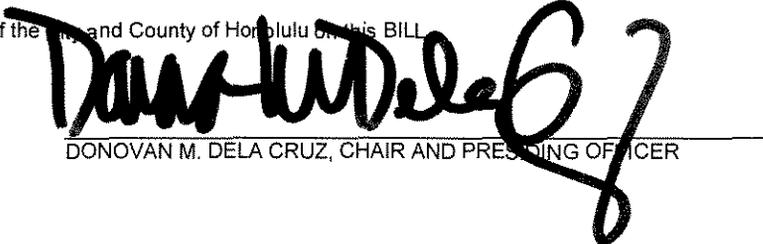
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Links: [Bill 50 \(2004\)](#)
[Bill 50 \(2004\), CD1](#)
[CR-005](#)
[Related Communications](#)

Council	8/11/04	Bill passed first reading and referred to Committee on Budget. Cachola Y Dela Cruz Y Djou..... Y Gabbard Y Garcia Y Kobayashi Y Marshall Y Okino..... Y Tam Y
Budget	1/12/05	CR-5 – Bill reported out of committee for passage on second reading and scheduling of a public hearing.
Publish	1/15/05	Public hearing notice published in the Honolulu Star-Bulletin.
Council/Public Hearing	1/26/05	Bill passed second reading, CR-5 (2005) adopted, public hearing closed and referred to Budget Committee. Apo Y Cachola Y Dela Cruz Y Djou Y Garcia Y Kobayashi Y Marshall Y Okino Y Tam Y
Publish	2/3/05	Second reading notice published in the Honolulu Star-Bulletin.
Budget	2/9/05	CR-45 (2005) – Bill reported out of committee for passage on third reading as amended in CD1 form.
Council	2/23/05	Bill passed third reading, as amended (CD1), and CR-45 (2005) adopted. Apo Y Cachola Y Dela Cruz Y Djou Y Garcia Y Kobayashi Y Marshall Y Okino Y Tam Y

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.


DENISE C. DE COSTA, CITY CLERK


DONOVAN M. DELA CRUZ, CHAIR AND PRESIDING OFFICER

05 FEB 20 P 2:15

MAYOR'S OFFICE
CITY & COUNTY
HONOLULU, HI