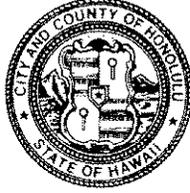


DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 523-4616 • FAX: (808) 523-4771 • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



MARY PATRICIA WATERHOUSE
DIRECTOR

PATRICK T. KUBOTA
DEPUTY DIRECTOR

March 23, 2007

RECEIVED
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HONOLULU, HAWAII
CITY CLERK

The Honorable Todd K. Apo, Chair
and Members of the Budget Committee
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Apo and Members:

Subject: Calculation of the Initial Tax Rate

The attached is provided in response to Council Chair Barbara Marshall's request for the calculation of the initial tax rate as prescribed by Ordinance 06-10 enacted on March 10, 2006.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Waterhouse".

Mary Patricia Waterhouse
Director

MPW/CO:jkk

Attachment

FORWARDED:

A handwritten signature in cursive script, appearing to read "Wayne M. Hashiro".

Wayne M. Hashiro, P.E.
Managing Director

cc: Office of the Mayor
All Councilmembers

Dept. Com. No. 221

FISCAL YEAR 2008 Calculation of Initial Tax Rate

		<u>% of Base tax year</u>
Budgeted tax year:	1,636,664,202	109.737%
Base tax year:	1,491,445,707	100.000%
Increase (Decrease)	<u>145,218,495</u>	9.737%
Uncontrollable costs:	145,218,495	9.737%
Other costs:	0	0.000%
Total Increase (Decrease)	<u>145,218,495</u>	9.737%

Estimated change in the operating uncontrollable costs 145,218,495

Base year's total tax liability of all classes 718,089,669

% of uncontrollable costs to base year's total tax liability **20.22% (A)**

Base tax year

	Net taxable real property		Tax rate		Total net tax liability		# of parcels		(B) Average tax liability
Classes of Property									
Improved Residential	89,283,029,203	*	3.59	=	320,526,075	/	150,383	=	2,131.40
Apartment	32,642,927,342	*	3.59	=	117,188,109	/	96,994	=	1,208.20
Commercial	10,814,805,497	*	11.97	=	129,453,222	/	6,117	=	21,162.86
Industrial	5,513,282,392	*	11.97	=	65,993,990	/	3,883	=	16,995.62
Agricultural	875,792,660	*	8.57	=	7,505,543	/	2,316	=	3,240.74
Vacant Agricultural	38,547,793	*	8.57	=	330,355	/	52	=	6,352.97
Preservation	365,291,564	*	9.57	=	3,495,840	/	814	=	4,294.64
Hotel & Resort	5,787,718,480	*	11.97	=	69,278,990	/	6,692	=	10,352.51
Unimproved Residential	754,815,480	*	5.72	=	4,317,545	/	707	=	6,106.85
Public Service	0	*	0.00	=	0	/	483	=	0.00
	<u>146,076,210,411</u>				<u>718,089,669</u>		<u>268,441</u>		<u>71,845.79</u>

Budgeted tax year

	(C) Average tax liability 20.22%		# of parcels		(D) Amt raised initial tax rate		Net taxable real property		(E) Initial tax rate per thousand \$
Classes of Property									
Improved Residential	2,562.43	*	151,119	=	387,231,663	/	100,858,035,326	*	3.84
Apartment	1,452.53	*	98,966	=	143,751,327	/	38,352,746,853	*	3.75
Commercial	25,442.60	*	6,124	=	155,810,505	/	12,282,508,217	*	12.69
Industrial	20,432.63	*	4,003	=	81,791,798	/	6,711,928,540	*	12.19
Agricultural	3,896.11	*	2,464	=	9,600,005	/	1,054,884,261	*	9.10
Vacant Agricultural	7,637.73	*	84	=	641,569	/	111,523,582	*	5.75
Preservation	5,163.15	*	818	=	4,223,453	/	349,430,050	*	12.09
Hotel & Resort	12,446.09	*	7,235	=	90,047,430	/	6,872,416,478	*	13.10
Unimproved Residential	7,341.83	*	568	=	4,170,162	/	431,257,500	*	9.67
Public Service	0.00	*	478	=	0	/	0	*	0.00
	<u>86,375.09</u>		<u>271,859</u>		<u>877,267,912</u>		<u>167,024,730,807</u>		