

BILL037(22)
Testimony

MISC. COMM. 146

BUDGET (BUD)

BUDGET (BUD) Meeting

Meeting Date: Apr 4, 2023 @ 09:00 AM

Support: 0

Oppose: 0

I wish to comment: 2

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|--|---|--------------------------------------|
| Name: Ted Kefalas | Email: tkefalas@grassrootinstitute.org | Zip: 96813 |
| Representing: Grassroot Institute of Hawaii | Position: I wish to comment | Submitted: Apr 3, 2023 @ 01:23 PM |
| Name: Natalie Iwasa | Email: iwasajunk@mail.com | Zip: 96825 |
| Representing: Self | Position: I wish to comment | Submitted: Apr 3, 2023 @ 11:23 PM |



April 4, 2023

9 a.m.

Honolulu City Council Chambers

To: Honolulu City and County Council, Committee on Budget

Councilmember Radiant Cordero, Chair

Councilmember Matt Weyer, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

Bill 37 (2022) — RELATING TO REAL PROPERTY TAXATION

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on [Bill 37 \(2022\)](#), which would increase the income eligibility for the real property tax credit from \$60,000 to \$70,000.

We support increasing the value of the real property tax credit to assist lower-income homeowners.

One proposed amendment to this bill would increase the income eligibility for this credit to \$90,000 — just less than 90% of the area median income in 2022.¹

Another of the proposed amendments would increase its value to \$80,000 — just less than 80% of AMI for 2022.²

On paper, Bill 38 is preferable to Bill 37, but we are sensitive to the idea that Bill 38 could prove somewhat harder to administer, since the income threshold would change each year.

¹ [“Honolulu County Income Schedule by Family Size,”](#) Hawaii Housing Finance and Development Corp., 2022, p. 16.

² [Ibid.](#)

Thus, while Bill 37 would not index the credit to changes in personal income, it would be a dramatic improvement above the status quo.

Thank you for the opportunity to testify.

Sincerely,

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

TO: Members of the Budget Committee

FROM: Natalie Iwasa
808-395-3233

DATE: Tuesday, April 4, 2023

SUBJECT: Bill 37 (2022), Real Property Tax Credit - **COMMENTS**

Aloha Chair Cordero and Councilmembers,

Thank you for allowing testimony on Bill 37 (2022) and the proposed CD1, which would increase the threshold for the tax credit from \$60,000 to \$70,000, under the original version of the bill, or \$90,000, under the CD1.

I support the real property tax credit, as some homeowners have seen the values of their homes increase significantly beyond the means they have to pay for the related taxes. If the income level is increased, more property owners will qualify, and related tax revenues will decrease. That additional subsidy will likely be borne by other taxpayers.

Please reduce and/or remove exemptions on credit unions, labor unions, business leagues, for-profit child care centers and others that make our real property tax system inequitable.