

SUMMARY OF PROPOSED COMMITTEE DRAFT:

**BILL 14 (2023)
RELATING TO A ONE-TIME REAL PROPERTY TAX CREDIT**

The PROPOSED CD1 makes the following amendments:

- A. In SECTION 2(d) of the bill, removes the provision that prohibits the amount of the tax after application of the credit from being less than the minimum tax set in ROH § 8-11.1(g), and instead specifies that ROH § 8-11.1(g) does not apply to real property that has been granted the tax credit.
- B. Adds a new SECTION 2(e) to the bill, which adds definitions for certain terms used throughout the bill.
- C. In SECTION 3 of the bill, changes the effective date to clarify that the ordinance applies to the tax year July 1, 2023 to June 30, 2024.
- D. Makes miscellaneous technical and nonsubstantive amendments.



A BILL FOR AN ORDINANCE

RELATING TO A ONE-TIME REAL PROPERTY TAX CREDIT.

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

SECTION 1. Purpose. The purpose of this ordinance is to alleviate the tax burden on homeowners from escalating real property valuations.

SECTION 2. One-time real property tax credit established.

- (a) A property owner is entitled to a one-time real property tax credit of \$300 against the taxes owed for the owner's home for the 2023 – 2024 tax year; provided that for the 2023 – 2024 tax year, the property owner has been granted a home exemption, as provided in ROH § 8-10.3.
- (b) The tax credit entitles the property owner to a tax reduction only for the 2023 – 2024 tax year and will not be carried over to any subsequent tax year. The tax credit will be applied in two equal amounts to the two installments of taxes due pursuant to ROH § 8-3.2(1).
- (c) The one-time tax credit will be applied against taxes owed in the following order of priority:
 - (1) One-time tax credit for the tax year 2023 – 2024;
 - (2) Low-income homeowner tax credit, as provided in ROH § 8-13.2; and
 - (3) Automatic sprinkler system tax credit, as provided in ROH § 8-14.2.
- (d) ROH § 8-11.1(g) does not apply to real property that has been granted the tax credit.
- (e) As used in this ordinance:

"Owner" or "property owner" has the same meaning as defined in ROH § 8-6.3.

"ROH" means the Revised Ordinances of Honolulu 2021.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL **14 (2023), CD1**

A BILL FOR AN ORDINANCE

SECTION 3. This ordinance takes effect upon its approval and applies to the tax year July 1, 2023 to June 30, 2024.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

March 2, 2023
Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

RICK BLANGIARDI, Mayor
City and County of Honolulu