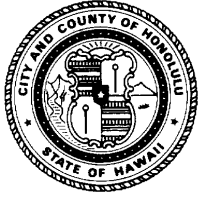**SUMMARY OF PROPOSED COMMITTEE DRAFT:**

Resolution 24-61 -
DETERMINING THE REAL PROPERTY TAX RATES FOR THE CITY AND COUNTY
OF HONOLULU FOR THE FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025.

The PROPOSED CD1 makes the following amendments:

A.   In the BE IT RESOLVED clause, changes the real property tax rate per $1,000 net taxable real property value for Class (K), Transient vacation Tier 1, from $9.00 to $7.50.

B.   Makes miscellaneous technical and nonsubstantive amendments.

HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

No. **24-61, CD1**

PROPOSED

RESOLUTION

DETERMINING THE REAL PROPERTY TAX RATES FOR THE CITY AND COUNTY OF HONOLULU FOR THE FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025.

WHEREAS, Article VIII, Section 3, and Article XVIII, Section 6, of the Constitution of the State of Hawai'i, as amended, grant to the counties the authority to assess, impose, and collect real property taxes; and

WHEREAS, Section 8-11.1(b) of the Revised Ordinances of Honolulu 2021 ("ROH"), provides that the City Council shall annually set the tax rate or rates for the classes of real property established in accordance with ROH Section 8-7.1(c)(1); and
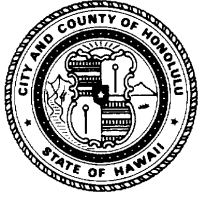
WHEREAS, under said ROH Section 8-7.1(c)(1), the following classes are established as general classes for purposes of real property taxation:

(A)   Residential;
(B)   Hotel and resort;
(C)   Commercial;
(D)   Industrial;
(E)   Agricultural;
(F)   Preservation;
(G)   Public service;
(H)   Vacant agricultural;
(I)   Residential A;
(J)   Bed and breakfast home; and
(K)   Transient vacation; and

WHEREAS, under ROH Section 8-11.1(h), rates for property classified as Residential A must be assigned to the following two tiers based on the valuation of the property:

(1)   Residential A Tier 1 tax rate: applied to the net taxable value of the property up to $1,000,000; and

(2)   Residential A Tier 2 tax rate: applied to the net taxable value of the property in excess of $1,000,000; and

WHEREAS, under ROH Section 8-11.1(i), rates for property classified as Transient vacation must be assigned to the following two tiers based on the valuation of the property:
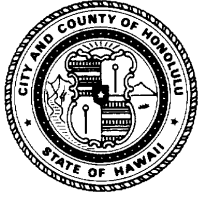
RESOLUTION

(1)   Transient vacation Tier 1 tax rate: applied to the net taxable value of the property up to $800,000; and

(2)   Transient vacation Tier 2 tax rate: applied to the net taxable value of the property in excess of $800,000; and

WHEREAS, ROH Section 8-6.2 provides for the assessment and levying of real property taxes on a fiscal year basis beginning July 1 of each calendar year and ending June 30 of the following calendar year; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the following rates be, and are hereby, determined as the respective rates at which real property in the various general classes in the City and County of Honolulu shall be taxed per $1,000 of assessed value for the Fiscal Year July 1, 2024 to June 30, 2025:

		Tax Rate Per $1,000 Net Taxable Real Property Value
Class (A)	Residential	$ 3.50
Class (B)	Hotel and resort	$13.90
Class (C)	Commercial	$12.40
Class (D)	Industrial	$12.40
Class (E)	Agricultural	$ 5.70
Class (F)	Preservation	$ 5.70
Class (G)	Public service	$ 0.00
Class (H)	Vacant agricultural	$ 8.50
Class (I)	Residential A	
	Tier 1:	$ 4.00
	Tier 2:	$11.40
Class (J)	Bed and breakfast home	$ 6.50
Class (K)	Transient vacation	
	Tier 1:	$ 7.50
	Tier 2:	$11.50; and

BE IT FURTHER RESOLVED that this resolution takes effect upon its adoption and applies to the Fiscal Year July 1, 2024 to June 30, 2025; and

RESOLUTION

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, and the Director of Budget and Fiscal Services.

INTRODUCED BY:

Tommy Waters

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DATE OF INTRODUCTION: _____

_____

March 5, 2024
Honolulu, Hawai'i

Councilmembers

Report Title:
Real Property Tax Rates; Fiscal Year 2025

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.