BILL017(25)
Testimony

MISC. COMM. 130

BUDGET (BUD)

BUDGET (BUD) Meeting

Meeting Date: Mar 4, 2025 @ 09:00 AM

Support: 1

Oppose: 1

I wish to comment: 0

Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	Support	Mar 3, 2025 @ 10:24 AM

Name:	Email:	Zip:
Natalie Iwasa	iwasajunk@mail.com	96825
Representing:	Position:	Submitted:
Self	Oppose	Mar 3, 2025 @ 11:22 PM

GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508
Honolulu, HI 96813
808-864-1776
info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

March 4, 2025, 9 a.m.
Honolulu Hale

To: Honolulu City Council Committee on Budget
Tyler Dos-Santos Tam, Chair
Scott Nishimoto, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: Bill 17 (2025) — RELATING TO REAL PROPERTY TAXATION

Aloha Chair Dos-Santos Tam, Vice-Chair Nishimoto and other members of the Committee,

The Grassroot Institute of Hawaii **supports** Bill 17 (2025), which would increase the real property tax homeowner exemption by $20,000 for tax years beginning in fiscal 2027.

This would make the homeowner exemption $140,000 for homeowners age 64 and under and $180,000 for homeowners 65 or older.

Increasing the homeowner exemption by $20,000 would save each homeowner $70 at the current residential tax rate of $3.50 per $1,000 in assessed value.

The exemption was last increased in 2023, for tax years beginning with fiscal 2024.[1] Passing Bill 17 now would head off possible increases in property values that could occur in the next two years.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[1] Ordinance 23-33, Honolulu Records Collection, accessed Feb. 21, 2025.

TO: Members of the Budget Committee

FROM: Natalie Iwasa
808-395-3233

DATE: Tuesday, March 4, 2025

SUBJECT: Bill 17 and CD1, Real Property Taxes, Home Owner Exemption – **OPPOSED**

Aloha Chair Dos Santos-Tam and Councilmembers,

Thank you for this opportunity to testify on Bill 17 and the CD1, which would increase the homeowner exemption by $20,000.

Every time this exemption is increased, the gap between homeowner occupants and landlords increases. Under this bill, a home assessed at $1.1 million (the approximate median sale price) would be $3,360 for a homeowner occupant who is less than 65 and $5,140 for a landlord. The tax on landlords, who provide housing for many residents on Oahu, would be **53% higher** than owner-occupants.

All exemptions have to be subsidized by other taxpayers, and a good chunk of that is paid by Residential A property owners. This is one of the reasons rents continue to increase.

Please vote "no" on Bill 17.