

**AN ORDINANCE AMENDING CHAPTER 19, ARTICLE 10, SECTION 19-71, OF THE HAWAI'I COUNTY CODE 1983 (2016 EDITION, AS AMENDED), RELATING TO REAL PROPERTY TAX EXEMPTIONS.**

**BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAI'I:**

**SECTION 1.** Purpose. The purpose of this ordinance is to increase the exemption amount for principal homes and for qualifying taxpayers who are 60 years of age or over.

**SECTION 2.** Chapter 19, article 10, section 19-71, of the Hawai'i County Code 1983 (2016 Edition, as amended), is amended by amending subsection (a) to read as follows:

- “(a) Real property owned and occupied as a principal home shall be exempt to the following extent from property taxes:
- (1) Totally exempt where the value of the property is not in excess of [~~\$40,000;~~ \$50,000;
  - (2) Where the value of the property is in excess of [~~\$40,000;~~ \$50,000, the exemption shall be the amount of [~~\$40,000-~~ \$50,000.
- Provided that:
- (A) No such exemption shall be allowed to any corporation, co-partnership, or company;
  - (B) The exemption shall not be allowed on more than one home for any one taxpayer and that such taxpayer shall certify under penalty of perjury that such taxpayer has no other home exemption in any other jurisdiction;
  - (C) The taxpayer has acquired said home by a recorded deed;
  - (D) A husband and wife shall not be permitted exemption of separate homes owned by each of them, unless they are living separate and apart, in which case they shall be entitled to one exemption, to be apportioned equally between each of their respective homes;
  - (E) A person living on premises, a portion of which is used for commercial purposes, except as provided in subsection (b) or which is legally permitted as a home occupation in accordance with the zoning code, shall not be entitled to an exemption with respect to such portion, but shall be entitled to an exemption with respect to the portion thereof used exclusively as a home;
  - (F) A person living on the premises, a portion of which is used as residential housing rental for a term of not less than six months and legally permitted by all codes, shall be entitled to an exemption, except as provided in subsection (b); and

(G) In the case of a lease of Hawaiian homestead lands, where either a husband or wife is of non-Hawaiian descent, either spouse shall be entitled to the home exemption in the same manner as if either spouse was considered the owner thereof, provided proof of marriage is submitted to the director of finance.”

**SECTION 3.** Chapter 19, article 10, section 19-71, of the Hawai‘i County Code 1983 (2016 Edition, as amended), is amended by amending subsection (d) to read as follows:

“(d) A taxpayer who is sixty years of age or over and who qualifies under subsection (a) shall be entitled to one of the following home exemptions:

<b>Age of Taxpayer</b>	<b>Exemption Amount</b>
60 years of age or over but not <del>[70]</del> <u>65</u> years of age or over	<del>[\$80,000]</del> <u>\$85,000</u>
<u>65</u> years of age or over but not 70 years of age or over	<u>\$90,000</u>
70 years of age or over but not 75 years of age or over	<del>[\$100,000]</del> <u>\$105,000</u>
<u>75</u> years of age or over	<u>\$110,000</u>

For the purpose of this subsection, a husband and wife who own property by life estate and remainder, jointly, by the entirety, or in common, on which a home exemption under the provisions of subsection (a) has been granted shall be entitled to the applicable home exemption set forth above when at least one of the spouses qualifies each year for the applicable home exemption.”

**SECTION 4.** Chapter 19, article 10, section 19-71, of the Hawai‘i County Code 1983 (2016 Edition, as amended), is amended by amending subsection (f) to read as follows:

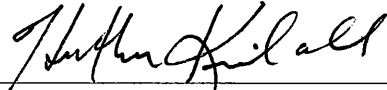
“(f) Real property qualifying under subsection (a) shall be entitled to an additional exemption of twenty percent of the assessed value of the property not to exceed an additional ~~[\$80,000.]~~ \$100,000.”

**SECTION 5.** Material to be repealed is bracketed and stricken. New material is underscored. In printing this ordinance, the brackets, bracketed and stricken material, and underscoring need not be included.

**SECTION 6.** Severability. If any provision of this ordinance, or the application thereof to any taxpayer or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

**SECTION 7.** This ordinance shall take effect on January 1, 2023.

INTRODUCED BY:



COUNCIL MEMBER, COUNTY OF HAWAI'I

Kona, Hawai'i

Date of Introduction: July 6, 2022

Date of 1st Reading: August 3, 2022

Date of 2nd Reading: August 17, 2022

Effective Date: January 1, 2023

REFERENCE Comm. 830

OFFICE OF THE COUNTY CLERK  
 County of Hawai'i  
 Kona, Hawai'i

COUNTY CLERK  
 COUNTY OF HAWAII

2022 SEP -2 PM 3: 52

Introduced By: Heather L. Kimball  
 Date Introduced: July 6, 2022  
 First Reading: August 3, 2022  
 Published: August 12, 2022

REMARKS: POSTPONED: July 6, 2022

Second Reading: August 17, 2022  
 To Mayor: August 26, 2022  
 Returned: September 2, 2022  
 Effective: January 1, 2023  
 Published: September 23, 2022

REMARKS:

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Chung	X			
David	X			
Inaba	X			
Kāneali'i-Kleinfelder			X	
Kierkiewicz	X			
Kimball	X			
Lee Loy	X			
Richards	X			
Villegas			X	
	7	0	2	0

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Chung	X			
David	X			
Inaba	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Lee Loy	X			
Richards	X			
Villegas	X			
	9	0	0	0

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.

  
 COUNCIL CHAIRPERSON

Approved/Disapproved this 31 day  
 of August, 2022

  
 COUNTY CLERK

  
 MAYOR, COUNTY OF HAWAII

Bill No.: 182  
 Reference: C-830/FC-164  
 Ord No.: 22 90