

COUNTY OF HAWAI‘I REAL PROPERTY TAX DIVISION

APPEALS INFORMATION

The Real Property Tax Division annually sends a notice of assessment to property owners showing the assessed value of their property and the amount of any exemptions granted to the owners for the assessment period. The notices are mailed on or before March 15 of each year. Upon receiving a notice, you should check all the information on it. If you feel that an error has been made on the information, or you do not agree with the values placed on your property, or you feel you have been denied an exemption that you are entitled to, you may file an appeal against the assessment. Amended Notices may also be mailed out at any time. The values on them can also be appealed.

However, prior to filing an appeal, you are encouraged to visit or call either of the tax offices to discuss the problem, check on an error, or ask a question. The staff may be able to answer your concerns and address problems and errors without the necessity of the appeal process. You are asked to contact the office nearest to the location of your parcel as that would be where the assessment records would be maintained. For East Hawai‘i (Kau, Puna, Hilo, & Hamakua), the office is located at the Aupuni Center, 101 Pauahi St., Suite no. 4, Hilo HI, and their telephone number is (808) 961-8201. For West Hawai‘i (Kohala, Waimea, Waikoloa, & Kona), the office is at the West Hawai‘i Civic Center, 74-5044 Ane Keohokalole Hwy., Bldg. D, 2nd Flr., Kailua Kona, HI, and their telephone number is (808) 323-4880.

TAX BOARD OF REVIEW

The Tax Board of Review is comprised of 5 members who are volunteers from the community. They are private citizens, appointed by the Mayor and confirmed by the County Council. The hearings before them are of an informal nature.

To file an appeal to the Board of review you will need to complete the Taxpayer’s Notice of Appeal, RP Form 19-91. These forms are available at both of the tax offices and on line at www.hawaiipropertytax.com. When you file this appeal, you need to be sure to fill in the tax map key number. Your name and address are also important, especially if the address you are using is different from what is in our files. If you want your address permanently changed, you will need to complete the form on the back of the assessment notice and send it in. Then you need to fill in the boxes of your opinion of what the assessed values should be. If you leave a box blank, it will be assumed that you are in agreement with the assessed value on the notice. Then you need to select one, or more, of the grounds of appeal. You may use the remarks section to expound on your reasons. Finally you need to sign and date the form and fill in a telephone number where you can be reached during the normal work day.

This completed form needs to be mailed, or hand delivered, to either of our offices on, or before, the April 9th appeal deadline. The postmark date on a mailed envelope is considered the date of receipt for this purpose. In the case of Amended Assessment Notices, the deadline for filing an appeal is 30 days from the date of the notice. With each appeal the fee of \$50.00 must be enclosed. Failure to pay the fee by the deadline will result in the Board's rejection of your appeal, and it will not be heard. If you pay by check, it should be made payable to the County Director of Finance. If you are filing multiple appeals, you can include the fee for each in a single check. A receipted copy of your appeal will be mailed, or hand delivered, to you.

The appeal hearings normally start in July and end in November. You will be sent a notice of your scheduled hearing approximately 30 days in advance. Only on a limited basis can an appeal be rescheduled due to the limited hearings time slots. You will need to contact our office immediately if there will be a conflict.

You are not required to attend your hearing, but it is encouraged. If you decide not to attend the hearing, you should send in all arguments and supporting information to arrive at least 1 week before the hearing. This will allow for copies to be made for each Board member. If you attend the hearing, you should be prepared with 6 copies of your information to be given to each Board member and the County appraiser.

TAX APPEAL COURT

Effective June 14, 2011, the Tax Appeal Court will only accept appeals of the decisions of the Tax Board of Review. For information on filing an appeal with the Court you will need to contact them directly. Their telephone number is (808) 539-4777 and their mailing address is Clerk of the Tax Appeal Court, 777 Punchbowl St., Honolulu, HI 96813. They will be able to provide you with the appeal fees and costs along with the forms they require to be submitted. The Court is a part of the State Judiciary and the Real Property Tax Office does not have any of the Court's forms. With these appeals the deadline to file is 30 days from the date of the Tax Board of Review's decision letter. The appeal to the Tax Appeal Court must be sent directly to them. You are also required to provide the Real Property Tax Division with copies of all the appeal documents you file.

The Court also allows appeals made via small claims procedures. In order to qualify, the amount of taxes in dispute must be less than \$1,000. Again you will need to contact the Court directly for the forms and fees and provide the Real Property Tax Division with copies. The limitation of this form of an appeal is that the decision of the judge is final as the small claims procedure does not allow an appeal of the Judge's decision to be made to a higher Court.

GROUND'S FOR APPEAL

The Hawai'i County Code, Chapter 19, allows for appeals to be filed on limited grounds only. They are:

1. The assessed value of the property exceeds by more than 20% the ratio of assessment to market value.
2. There is a lack of uniformity or inequality resulting from the use of illegal assessment methods or an error in the application of the methods.
3. Denial of an exemption to which you are entitled and for which all requirements are met.
4. The assessment methods used were illegal or unconstitutional. Note that most constitutional issues can only be ruled on by the Tax Appeal Court.

HOW TO SUPPORT YOUR APPEAL

As the appealing taxpayer, the burden of proof is on you to show that the assessment is incorrect. For the majority of assessments, the assessed value is also the market value of the parcel. If there is a difference you need to find out why, and remember that you can only appeal the assessed values. Also you need to remember that the assessment is as of the statutory date of January 1st. So your supporting documentation must take all of this into account. In the case of a uniformity issue, you need to review the comparables you use to insure that they are truly comparable in all aspects. This can be very tricky now with the Homeowner's Class restricting assessments to increase by no more than 3% a year. You also need to be aware of the effects of different programs, such as dedications, on the assessed values. Finally, you must also keep in mind that leasehold property is assessed as if it was fee simple. The law does not allow for a breakdown between the lessor's and lessee's interests.

ADJUDICATED VALUES

The decision of the Tax Board of Review will be rendered verbally immediately after your case is heard and their written decision will be mailed to you within a few weeks. If you disagree with the Board's decision, you have 30 days from the date of the written decision to file an appeal with the Tax Appeal Court. Please remember that any decision reached in your appeal is only for the single tax year.

TAX PAYMENTS

Even though you have filed an appeal, all tax payments due must be paid on a timely basis to avoid any penalties or interest. Any adjustment resulting from an appeal will be automatically credited to the bill lowering future amounts due. A refund of an overpayment can be requested.