

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

November 2, 2007

**Committee
Report No.**

07-123

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on October 15, 2007, makes reference to County Communication No. 07-282, from the Director of Finance, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE REPEALING SECTION 3.48.465, MAUI COUNTY CODE, RELATING TO TAXPAYERS OVER SIXTY YEARS OF AGE".

The purpose of the proposed bill is to clarify that the home exemption for taxpayers over 60 years of age is not in addition to the \$300,000 homeowner exemption provided to all homeowners regardless of age by repealing Section 3.48.465, which established special home exemptions for taxpayers 60 years of age or over and 70 years of age or over.

Your Committee notes that with the enactment of Ordinance Nos. 3186 and 3285, the Council increased the homeowner exemption from \$80,000 to \$200,000.

Your Committee further notes that with the enactment of Ordinance No. 3386, the Council further increased the homeowner exemption from \$200,000 to \$300,000 for the fiscal year ending June 30, 2007.

Your Committee further notes that the \$300,000 homeowner exemption was permanently established with the enactment of Ordinance No. 3403.

At its meeting, your Committee met with the Director of Finance; the Acting County Real Property Tax Administrator, Real Property Tax Division, Department of Finance; the Corporation Counsel; and a Deputy Corporation Counsel.

There was no public testimony.

The Director of Finance stated that the \$300,000 homeowner exemption is available to all homeowners and exceeds the home exemption amounts for homeowners 60 years of age or over and 70 years of age or over, established in Section 3.48.465. By

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permanently establishing the \$300,000 homeowner exemption through Ordinance No. 3403, the home exemption amount became ineffective for elderly taxpayers.

The Director of Finance further stated that the proposed bill repeals Section 3.48.465, Maui County Code, and removes the ambiguity that was created when the home exemption afforded to all taxpayers exceeded the special home exemption for elderly taxpayers.

Your Committee voted to recommend passage of the proposed bill and filing of the communication.

By correspondence dated October 22, 2007, the Chair of your Committee requested that the Department of the Corporation Counsel correct the title of the proposed bill to clarify that the bill relates to taxpayers 60 years of age or over.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating the revisions requested by the Chair of your Committee.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That Bill No. _____ (2007), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE REPEALING SECTION 3.48.465, MAUI COUNTY CODE, RELATING TO TAXPAYERS SIXTY YEARS OF AGE OR OVER", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 07-282 be FILED.

Adoption of this report is respectfully requested.

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