



County of Maui – Department of Finance
Treasury Division
Real Property Tax/Fee Collections & Tax Relief Program
70 E. Kaahumanu Avenue, Suite A-18, Kahului, HI 96732
Phone: (808) 270-7697

CIRCUIT BREAKER TAX CREDIT INSTRUCTIONS

(Article XIII – Circuit Breaker Tax Credit, Chap. 3.48.800 MCC)

For the tax year beginning July 1, 2020 and ending June 30, 2021

Deadline for Filing: DECEMBER 31, 2019

****ATTENTION ****

THIS APPLICATION MUST BE FILED ANNUALLY.
THE CIRCUIT BREAKER TAX CREDIT DOES NOT AUTOMATICALLY RENEW.
CIRCUIT BREAKER TAX CREDIT APPLICATIONS ARE AVAILABLE AUGUST THROUGH DECEMBER.

QUALIFICATIONS

Check the appropriate box when answering qualification questions.

Have you been granted home exemption on this property for at least five out of the prior six tax years?

If you checked “NO”, do not continue. To be entitled to a credit, the homeowner must be granted a home exemption for at least five out of the prior six tax years. For questions regarding your Home Exemption or for more information on obtaining a Home Exemption, please contact Real Property Assessments at (808) 270-7297.

Is the total Household Income \$100,000 or less?

If you checked “NO”, do not continue. To be entitled to a credit, the total household income must not exceed \$100,000. The total household income is the adjusted gross income, as defined by the Internal Revenue Service, of a household for the year preceding the tax year in which an application for circuit breaker tax credit is filed. “Household” means a homeowner, spouse of the homeowner and any title holders living on the homeowner property.

Enter your Adjusted Gross Income as noted on your 2018 IRS Tax Account Transcript. You must provide your 2018 IRS Account Transcript with your application. You must file a Federal Income Tax Return to qualify for this credit.

If there are titleholders, other than the applicant(s), living on the property, they must complete an Income Worksheet form and provide their 2018 IRS Tax Account Transcript.

Please contact the Internal Revenue Service for more information on how to obtain your 2018 Account Transcript.

Is your total Gross Building(s) Assessed Value \$550,000 or less?

If you checked “NO”, do not continue. The amount of the circuit breaker tax credit is based on the homeowner’s gross building assessed value and shall be phased out towards non-eligibility for buildings with values that exceed \$550,000.

Are your Real Property Taxes current?

If you checked “NO”, do not continue. To be entitled to a credit, taxes on the property should not be delinquent from the date the application is filed and throughout the tax year for which the credit applies.

CREDIT CALCULATION

1. Enter the total Household Income.

If there are no household titleholders other than the applicant, re-enter the applicant's 2018 Federal adjusted gross income.

If there are household titleholders, in addition to the applicant, enter the total of all 2018 adjusted gross incomes noted on the application and income worksheet(s).

2. Multiply the amount of Line 1 by 0.02 and enter the amount here.

Example:

1. Enter the total Household Income.	\$ 20,000.00
2. Multiply the amount in line 1 by .02 and enter the amount here.	\$ 400.00

3. Enter the amount of Real Property Tax for tax year 2019.

You can find your real property tax information located on the property tax bill mailed to you or you may contact our office. This information is also available on our website at www.mauipropertytax.com. Tax amounts are subject to change due to prior year adjustments.

4. Enter the amount from line 2. If greater than line 3, you do not qualify.

The real property taxes calculated for the homeowner property for the prior tax year exceeds two percent of the household income. If line 3 is greater than line 2, your property tax amount is already less than two percent of your household income and you are not eligible for the credit.

5. Subtract line 4 from line 3. Enter the amount here.

6. Enter your eligible percentage rate based on your gross building value.

The amount of the circuit breaker tax credit is based on the homeowner's gross building assessed value and shall be phased out using the following schedule:

Homeowner's gross building assessed value	Eligible percentage of circuit breaker tax credit
Up to \$500,000	100% (1.00)
\$500,001 to \$512,500	80% (0.80)
\$512,501 to \$525,000	60% (0.60)
\$525,001 to \$537,500	40% (0.40)
\$537,501 to \$550,000	20% (0.20)
\$550,001 or more	0% (Not eligible)

You can find your building value information located on the property assessment notice mailed to you, or you may contact Real Property Assessments at (808) 270-7297. This information is also available on our website at www.mauipropertytax.com.

7. Multiply line 5 by line 6. Enter the amount here. CREDIT ESTIMATE

Example:

5. Subtract line 4 from line 3. Enter amount here.	\$ 497.00
6. Enter your eligible percentage rate based on your gross building value.	60%
7. Multiply line 5 by line 6. Enter amount here. CREDIT ESTIMATE	\$ 298.20

Credit shall not exceed \$5,000.00. The credit shall only apply for the succeeding tax year, with no carryover credit allowed.

