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## A BILL FOR AN ACT

RELATING TO TAXATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 246-26, Hawaii Revised Statutes, is  
2 amended to read as follows:

3           "**§246-26 Homes.** (a) Real property owned and occupied  
4 only as an individual's or their principal home as of the date  
5 of assessment by any individual or individuals, shall be exempt  
6 only to the following extent from property taxes:

7           (1) Totally exempt where the value of the property is not  
8 in excess of [~~\$12,000~~] \$80,000;

9           (2) Where the value of the property is in excess of  
10 [~~\$12,000~~] \$80,000, the exemption shall be the amount  
11 of [~~\$12,000~~] \$80,000.

12           Provided:

13           (A) That no such exemption shall be allowed to any  
14 corporation, copartnership, or company;

15           (B) That the exemption shall not be allowed on more  
16 than one home for any one taxpayer;

17           (C) That where the taxpayer has acquired the  
18 taxpayer's home by a deed made on or after July



1           1, 1951, the deed shall have been recorded on or  
2           before December 31 immediately preceding the year  
3           for which the exemption is claimed;

4           (D) That a husband and wife shall not be permitted  
5           exemption of separate homes owned by each of  
6           them, unless they are living separate and apart,  
7           in which case they shall be entitled to one  
8           exemption, to be apportioned between each of  
9           their respective homes in proportion to the value  
10          thereof; and

11          (E) That a person living on premises, a portion of  
12          which is used for commercial purposes, shall not  
13          be entitled to an exemption with respect to such  
14          portion, but shall be entitled to an exemption  
15          with respect to the portion thereof used  
16          exclusively as a home.

17          (b) The use of a portion of any building or structure for  
18          the purpose of drying coffee and the use of a portion of real  
19          property, including structures, in connection with the planting  
20          and growing for commercial purposes, or the packing and  
21          processing for such purposes, of flowers, plants, or foliage,  
22          shall not affect the exemptions provided for by this section.



1 (c) Where two or more individuals jointly, by the  
 2 entirety, or in common own or lease land on which their homes  
 3 are located, each home, if otherwise qualified for the exemption  
 4 granted by this section, shall receive the exemption. If a  
 5 portion of land held jointly, by the entirety, or in common by  
 6 two or more individuals is not qualified to receive an  
 7 exemption, such disqualification shall not affect the  
 8 eligibility for an exemption or exemptions of the remaining  
 9 portion.

10 (d) A taxpayer who is sixty years of age or over and who  
 11 qualifies under subsection (a) shall be entitled to one of the  
 12 following multiples of home exemption:

		Multiple to be Used in Computing
<u>Age of Taxpayer</u>	<u>Home Exemption Amount</u>	
60 years of age or over but		
not 70 years of age or over		[ <del>2.0</del> ] <u>3.0</u>
70 years of age or over		[ <del>2.5</del> ] <u>3.5</u>

18 For the purpose of this subsection, a husband and wife who own  
 19 property jointly, by the entirety or in common, on which a home  
 20 exemption under the provisions of subsection (a) has been  
 21 granted shall be entitled to the applicable multiple of home  
 22 exemption set forth above when at least one of the spouses





**Report Title:**

Taxation; property

**Description:**

Increases homeowner exemptions and multipliers for property tax purposes.

