

William P. Kenoi
Mayor



William T. Takaba
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February 1, 2010

The Honorable Ken Ito, Chair
And Members of the Committee on
Water, Land & Ocean Resources
Hawai'i State Capitol, Room 325
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: Testimony in Support of House Bill No. 2171
Relating to Conveyance Tax

Aloha, Representative Ito and Committee Members,

The County of Hawai'i strongly supports H.B. 2171, relating to conveyance tax. This bill requires the Director of Taxation to provide, within 10 days and free of charge, an image and index of all conveyance tax certificates related to real property transactions filed with the Bureau of Conveyances to the administrator of the City and County of Honolulu's real property assessment division. The City and County of Honolulu's real property assessment division will then make that data available to the other counties.

County of Hawai'i Real Property Tax Division is tasked with assessing real property and maintaining current ownership records for Ad Valorem tax purposes. This amendment enables the counties to promptly track ownership, sales prices, and mailing addresses for real property assessment and billing purposes. Access to these documents filed with the Bureau of Conveyances is critical to the counties' real property assessment and tax programs.

This transfer of this data has, to date, been dependent on private agreements, and these agreements are currently in jeopardy. The real property divisions face the prospect of either adding greatly to the costs of running the real property assessment process or, worse, being cut off from data needed to function.

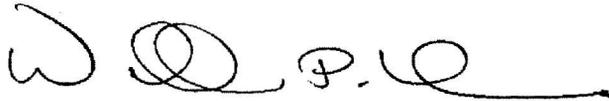
Honorable Ken Ito
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Other jurisdictions assessing a real property tax have similar mechanisms in place requiring the rapid and accurate transfer of all conveyance documents on a regular basis, as all recognize the vital nature of this link.

We urge the committee to pass this extremely important bill as this would give the counties the means to equitably administer their real property tax programs in a timely and cost effective manner.

Thank you for your consideration.

Aloha,

A handwritten signature in black ink, appearing to read 'W. P. Kenoi', with a long horizontal flourish extending to the right.

William P. Kenoi
MAYOR

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
REAL PROPERTY ASSESSMENT DIVISION
33 SOUTH KING STREET, #101 * HONOLULU, HAWAII 96813
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MUFI HANNEMANN
MAYOR



RIX MAURER III
DIRECTOR

MARK K. OTO
DEPUTY DIRECTOR

GARY T. KUROKAWA
ADMINISTRATOR

February 1, 2010

Honorable Ken Ito,
Chair, Committee on Water, Land, & Ocean Resources
House of Representatives
Hawaii State Capitol, Room 325
415 South Beretania Street
Honolulu, HI 96813

RE: Proposed HB2171 - Relating to Conveyance Tax

The City and County of Honolulu supports HB2171, which requires the director of taxation to provide the real property assessment division of each county with an image of all certificates of conveyance filed with the Bureau of Conveyances.

The current method, whereby the city makes weekly pickups of the printed certificates from the Department of Taxation, is not efficient and would be greatly improved with electronic data transfers of the conveyance certificates filed with the Bureau of Conveyances. Additionally, the Department of Taxation would no longer need to provide printed copies of these certificates for the counties. Since the Department of Taxation has already implemented scanning of these documents, it would be extremely beneficial for the counties to receive digital copies of these conveyance records. These documents contain information that would enable the counties to promptly track recorded ownership, encumbrances, restrictions, uses, and sales prices of real property for the purpose of determining real property tax assessments.

Your consideration and approval of this bill is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary T. Kurokawa", is written over the typed name and title.

Gary T. Kurokawa
Administrator
Real Property Assessment Division

CHARMAINE TAVARES
Mayor



KALBERT K. YOUNG
Director of Finance

AGNES M. HAYASHI
Deputy Director of Finance

SCOTT K. TERUYA
Administrator

GERY MADRIAGA
Assistant Administrator

COUNTY OF MAUI
DEPARTMENT OF FINANCE
REAL PROPERTY TAX DIVISION
70 E. KAAHUMANU AVENUE, SUITE A-16, KAHULUI, MAUI, HAWAII 96732
Assessment: (808) 270-7297 | Billing and Collection: (808) 270-7697 | Fax: (808) 270-7884
www.mauipropertytax.com

January 29, 2010

COMMITTEE ON WATER, LAND & OCEAN RESOURCES

Honorable Representative Ken Ito, Chair
Honorable Representative Sharon E. Har, Vice Chair

County of Maui, Department of Finance, Real Property Tax Division
Monday, February 1, 2010

Support of HB 2171, Relating to Conveyance Tax

The County of Maui, Real Property Tax Division supports HB 2171, Relating to Conveyance Tax, which would require the Director of Taxation to provide each county's Real Property Tax Division with an image of all certificates of conveyance for their respective county filed with the Bureau of Conveyances within ten days after the end of each week and free of charge.

Obtaining documents in a timely manner enables the Counties to promptly maintain ownership records necessary for public notification and real property taxation purposes.

When real property taxation was administered by the State, access to the certificate was an internal procedure. With taxation being administered at the County level, retrieving the documents from the DOT in Oahu requires coordination between the County of Maui and the City and County of Honolulu's assessment offices. By providing each County with their respective certificates electronically, this would assure Maui County a process of receiving its certificates without the need to travel to Oahu or rely on a third party. If an electronic file is provided, the DOT would no longer need to provide hard copies for the counties.

We urge you to pass this important amendment and give the Counties the means to maintain their records in a timely manner for the public's best interest. Thank you for the opportunity to testify on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott K. Teruya".

Scott K. Teruya
Real Property Tax Division Administrator