
A BILL FOR AN ACT

RELATING TO TAXATION.

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

SECTION 1. Section 247-2, Hawaii Revised Statutes, is amended to read as follows:

"§247-2 Basis and rate of tax. The tax imposed by section 247-1 shall be based on the actual and full consideration (whether cash or otherwise, including any promise, act, forbearance, property interest, value, gain, advantage, benefit, or profit), paid or to be paid for all transfers or conveyance of realty or any interest therein, that shall include any liens or encumbrances thereon at the time of sale, lease, sublease, assignment, transfer, or conveyance, and shall be at the following rates:

(1) Except as provided in [~~paragraph (2)~~] paragraphs (2) and (3):

(A) Ten cents per \$100 for properties with a value of less than \$600,000;

(B) Twenty cents per \$100 for properties with a value of at least \$600,000, but less than \$1,000,000;



- 1 (C) Thirty cents per \$100 for properties with a value
- 2 of at least \$1,000,000, but less than \$2,000,000;
- 3 (D) Fifty cents per \$100 for properties with a value
- 4 of at least \$2,000,000, but less than \$4,000,000;
- 5 (E) Seventy cents per \$100 for properties with a
- 6 value of at least \$4,000,000, but less than
- 7 \$6,000,000;
- 8 (F) Ninety cents per \$100 for properties with a value
- 9 of at least \$6,000,000, but less than
- 10 \$10,000,000; and
- 11 (G) One dollar per \$100 for properties with a value
- 12 of \$10,000,000 or greater; [~~and~~]
- 13 (2) For the sale of a condominium or single family
- 14 residence for which the purchaser is ineligible for a
- 15 county homeowner's exemption on property tax:
- 16 (A) Fifteen cents per \$100 for properties with a
- 17 value of less than \$600,000;
- 18 (B) Twenty-five cents per \$100 for properties with a
- 19 value of at least \$600,000, but less than
- 20 \$1,000,000;



1 (C) Forty cents per \$100 for properties with a value
2 of at least \$1,000,000, but less than \$2,000,000;

3 (D) Sixty cents per \$100 for properties with a value
4 of at least \$2,000,000, but less than \$4,000,000;

5 (E) Eighty-five cents per \$100 for properties with a
6 value of at least \$4,000,000, but less than
7 \$6,000,000;

8 (F) One dollar and ten cents per \$100 for properties
9 with a value of at least \$6,000,000, but less
10 than \$10,000,000; and

11 (G) One dollar and twenty-five cents per \$100 for
12 properties with a value of \$10,000,000 or
13 greater[-]; and

14 (3) For the sale of a condominium or single family
15 residence for which the purchaser is eligible for a
16 county homeowner's exemption on property tax:

17 (A) Six cents per \$100 for properties with a value of
18 less than \$400,000;

19 (B) Twelve cents per \$100 for properties with a value
20 of at least \$400,000, but less than \$700,000;



1 (C) Eighteen cents per \$100 for properties with a
2 value of at least \$700,000, but less than
3 \$1,000,000;

4 (D) Thirty cents per \$100 for properties with a value
5 of at least \$1,000,000, but less than \$2,000,000;

6 (E) Fifty cents per \$100 for properties with a value
7 of at least \$2,000,000, but less than \$4,000,000;

8 (F) Seventy cents per \$100 for properties with a
9 value of at least \$4,000,000, but less than
10 \$6,000,000;

11 (G) Ninety cents per \$100 for properties with a value
12 of at least \$6,000,000, but less than
13 \$10,000,000; and

14 (H) One dollar per \$100 for properties with a value
15 of \$10,000,000 or greater,

16 of such actual and full consideration; provided that in the case
17 of a lease or sublease, this chapter shall apply only to a lease
18 or sublease whose full unexpired term is for a period of five
19 years or more, and in those cases, including (where appropriate)
20 those cases where the lease has been extended or amended, the
21 tax in this chapter shall be based on the cash value of the



H.B. NO. 1316

1 lease rentals discounted to present day value and capitalized at
2 the rate of six per cent, plus the actual and full consideration
3 paid or to be paid for any and all improvements, if any, that
4 shall include on-site as well as off-site improvements,
5 applicable to the leased premises; and provided further that the
6 tax imposed for each transaction shall be not less than \$1."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 3. This Act shall take effect on July 1, 2015.

10

INTRODUCED BY:

B-2 Kofani

JAN 29 2015



H.B. NO. 1316

Report Title:

Conveyance Tax; Residential Property; Resident Owner-Occupant
and Non-Owner-Occupant

Description:

Reduces the conveyance tax rate for the sale of a condominium or
single family residence to a purchaser who is an owner-occupant.

*The summary description of legislation appearing on this page is for informational purposes only and is
not legislation or evidence of legislative intent.*

