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## A BILL FOR AN ACT

PROPOSING AMENDMENTS TO ARTICLES VIII OF THE CONSTITUTION OF THE  
STATE OF HAWAII TO AUTHORIZE THE LEGISLATURE TO FREEZE ANY  
INCREASE IN STATE RESIDENTIAL PROPERTY TAX.

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

1       SECTION 1. The legislature finds that the residents of  
2       Hawaii have been finding it increasingly difficult to purchase  
3       and own a home. The legislature further finds that the median  
4       price of a single-family home on Oahu is surpassing \$1,060,000.  
5       The legislature also finds that the average age of owner-  
6       occupied housing units is fifty-eight years of age and is  
7       expected to increase in the most recent census count.

8       The legislature further finds if homeowners over the age of  
9       fifty-five were allowed to transfer the assessed value of their  
10      present home to their children without a property tax re-  
11      assessment, the ability for our citizens to keep their homes in  
12      the family would greatly increase.

13      The legislature additionally finds that Hawaii boasts some  
14      of the lowest property tax rates in the country, which  
15      contributes to the desire to buy and own homes locally.



1       Therefore, the intent of this Act is to hold intact our  
2 favorable property tax rates by authorizing the legislature to  
3 freeze any increases to the residential property tax.

4       SECTION 2. The purpose of this Act is to amend article  
5 VIII, section 3, of the Constitution of the State of Hawaii to  
6 relieve the financial burden of our homeowners in the State of  
7 Hawaii who are over the age of fifty-five by authorizing the  
8 legislature to establish a property tax freeze on residential  
9 property.

10       SECTION 3. Article VIII, section 3, of the Constitution of  
11 the State of Hawaii is amended to read as follows:

12                               **"TAXATION AND FINANCE**

13       **SECTION 3.** The taxing power shall be reserved to the  
14 State, except so much thereof as may be delegated by the  
15 legislature to the political subdivisions, and except that all  
16 functions, powers and duties relating to the taxation of real  
17 property shall be exercised exclusively by the counties, with  
18 the exception of the county of Kalawao[-]; provided that the  
19 legislature shall not be prohibited from establishing a property  
20 tax freeze on residential property pursuant to Article VIII,



section 3. The legislature shall have the power to apportion state revenues among the several political subdivisions."

SECTION 4. The question to be printed on the ballot shall be as follows:

"Shall the legislature be authorized to provide financial relief to residential homeowners, fifty-five and older by establishing a residential property tax freeze?"

SECTION 5. Constitutional material to be repealed is bracketed and stricken. New constitutional material is underscored.

SECTION 6. This amendment shall take effect upon compliance with article XVII, section 3, of the Constitution of the State of Hawaii.

INTRODUCED BY:



JAN 26 2022



# H.B. NO. 2506

**Report Title:**

Residential Property Tax; Tax Freeze; Constitutional Amendment

**Description:**

Proposing amendments to articles viii of the constitution of the state of hawaii to authorize the legislature to freeze any increase in state residential property tax.

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

