
HOUSE CONCURRENT RESOLUTION

URGING EACH COUNTY TO CURB THE PROLIFERATION OF ILLEGAL VACATION
RENTALS.

1 WHEREAS, the illegal rental of housing units for less than
2 thirty days at a time without a valid county permit has become
3 widespread throughout the State; and
4

5 WHEREAS, operators of unpermitted transient vacation
6 rentals in residential areas are able to offer those units for
7 lower prices than legal hotel rooms largely by avoiding the
8 payment of taxes, such as higher property taxes that hotels and
9 resorts pay in order to comply with county zoning requirements;
10 and
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12 WHEREAS, owners of residential property used for
13 unpermitted transient vacation rentals may also be claiming
14 homeowner exemptions in order to avoid paying higher property
15 taxes; and
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17 WHEREAS, in addition to avoiding higher property taxes,
18 operators of unpermitted transient vacation rentals often fail
19 to report and pay the transient accommodations taxes and general
20 excise taxes that they owe to the State; and
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22 WHEREAS, by failing to pay their fair share of taxes,
23 operators of unpermitted transient vacation rentals effectively
24 force all other taxpayers to subsidize their illegal operations;
25 and
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27 WHEREAS, the collection of taxes from each individual
28 taxpayer of a transient vacation rental should therefore be made
29 more efficient and reliable; and
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H.C.R. NO. 73


1 WHEREAS, one method worthy of study is the use of tax lien
2 foreclosures to curb the proliferation of illegal vacation
3 rentals and generate increased tax revenues to the counties;
4 now, therefore,
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6 BE IT RESOLVED by the House of Representatives of the
7 Thirty-first Legislature of the State of Hawaii, Regular Session
8 of 2022, the Senate concurring, that each county is urged to
9 curb the proliferation of illegal vacation rental units by:

- 10
- 11 (1) Conducting expedited foreclosures on illegal vacation
12 rental properties that have an amount in arrears with
13 the applicable county and the State of over \$5,000;
 - 14
 - 15 (2) Imposing increased minimum levels of fines to
16 discourage repeat offenses; and
17
 - 18 (3) Refraining from reducing fine amounts for violators;
19 and
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21 BE IT FURTHER RESOLVED that certified copies of this
22 Concurrent Resolution be transmitted to the Director of Taxation
23 and the mayor of each county.
24
25
26

OFFERED BY:



MAR 10 2022

