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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 247-2, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3           "**§247-2 Basis and rate of tax.** (a) The tax imposed by  
4 section 247-1 shall be based on the actual and full  
5 consideration (whether cash or otherwise, including any promise,  
6 act, forbearance, property interest, value, gain, advantage,  
7 benefit, or profit), paid or to be paid for all transfers or  
8 conveyance of realty or any interest therein, that shall include  
9 any liens or encumbrances thereon at the time of sale, lease,  
10 sublease, assignment, transfer, or conveyance, and shall be at  
11 the following rates:

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

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

16           (B) Twenty cents per \$100 for properties with a value  
17           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;



# H.B. NO. 1213

- 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[7]; and
- 14 (3) For the sale of residential real property in which the  
15 purchaser is a person who has not filed an income tax  
16 return in this State, pursuant to chapter 235, within  
17 the preceding four years: three hundred dollars per  
18 \$100,
- 19 of [~~such~~] the actual and full consideration; provided that in  
20 the case of a lease or sublease, this chapter shall apply only  
21 to a lease or sublease whose full unexpired term is for a period



1 of five years or more, and in those cases, including (where  
2 appropriate) those cases where the lease has been extended or  
3 amended, the tax in this chapter shall be based on the cash  
4 value of the lease rentals discounted to present day value and  
5 capitalized at the rate of six per cent, plus the actual and  
6 full consideration paid or to be paid for any and all  
7 improvements, if any, that shall include on-site as well as  
8 off-site improvements, applicable to the leased premises; and  
9 provided further that the tax imposed for each transaction shall  
10 be not less than \$1.

11 (b) As used in this section, "residential real property"  
12 means fee simple or leasehold real property upon which is  
13 situated:

14 (1) From one to four dwelling units; or

15 (2) A residential condominium or cooperative apartment,  
16 the primary use of which is occupancy as a residence by any  
17 natural person or persons, regardless of whether the property  
18 owner resides on the property."

19 SECTION 2. Statutory material to be repealed is bracketed  
20 and stricken. New statutory material is underscored.

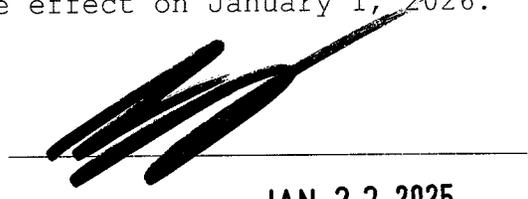


# H.B. NO. 1213

1 SECTION 3. This Act shall take effect on January 1, 2026.

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INTRODUCED BY: \_\_\_\_\_

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JAN 22 2025



# H.B. NO. 1213

**Report Title:**

Conveyance Tax; Residential Real Property; Rates

**Description:**

Imposes a conveyance tax rate of 300% on sales of residential real property to persons who have not filed a Hawaii state income tax return within the preceding 4-year period.

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

