
HOUSE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF TAXATION TO ESTABLISH A VACANT
HOMES SURCHARGE TASK FORCE TO RESEARCH AND REPORT ON THE
IMPACTS AND IMPLEMENTATIONS OF A GENERAL EXCISE TAX
SURCHARGE ON VACANT HOMES.

1 WHEREAS, an increasing number of residential properties in
2 Hawaii are being purchased as second homes and left largely
3 unoccupied throughout the year, creating adverse impacts on
4 local communities and the housing market; and

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6 WHEREAS, public infrastructure improvements made to areas
7 surrounding vacant second homes contribute to the appreciation
8 of property values, including the vacant homes, thereby
9 requiring taxpayers to indirectly subsidize private real estate
10 investments without commensurate economic returns to taxpayers;
11 and

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13 WHEREAS, the lack of available housing for residents has
14 contributed to rising home prices and rental costs, making it
15 more difficult for families to secure affordable housing; and

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17 WHEREAS, vacant homes that are not part of the long-term
18 rental market exacerbate the housing shortage and ultimately do
19 not contribute to the economy through occupancy-based spending;
20 and

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22 WHEREAS, a surcharge on vacant homes has the potential to
23 incentivize property owners to either occupy their properties or
24 make them available for long-term rental, thereby contributing
25 to Hawaii's housing inventory and local economy; and

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27 WHEREAS, such a surcharge could generate significant
28 revenue that may be used to support rental assistance programs
29 and other affordable housing initiatives; and



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2 WHEREAS, House Bill No. 489, Regular Session of 2025, among
3 other things, establishes a general excise tax surcharge on an
4 owner that allows a residential real property to remain vacant
5 for one hundred eighty days or more in the previous calendar
6 year; and
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8 WHEREAS, implementing a vacant homes surcharge requires
9 careful study to determine effective enforcement measures,
10 economic impacts, and potential exemptions; now, therefore,
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12 BE IT RESOLVED by the House of Representatives of the
13 Thirty-third Legislature of the State of Hawaii, Regular Session
14 of 2025, the Senate concurring, that the Department of Taxation
15 is requested to establish a vacant homes surcharge task force to
16 research and report on the impacts and implementation of a
17 general excise tax surcharge similar to the one proposed in
18 House Bill No. 489, Regular Session of 2025; and
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20 BE IT FURTHER RESOLVED that the task force is requested to
21 consist of the:
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- 23 (1) Director of Taxation, or the Director's designee, who
24 shall serve as the Chairperson;
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26 (2) Director of Business, Economic Development, and
27 Tourism, or the Director's designee;
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29 (3) Executive Director of the Hawaii Housing Finance and
30 Development Corporation; or the Executive Director's
31 designee; and
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33 (4) Any other individual as requested by the Chairperson;
34 and
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36 BE IT FURTHER RESOLVED that the task force is requested to
37 submit a report of its findings and recommendations, including
38 any proposed legislation, to the Legislature no later than
39 twenty days prior to the convening of the Regular Session of
40 2026; and
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1 BE IT FURTHER RESOLVED that certified copies of this
2 Concurrent Resolution be transmitted to the Director of
3 Taxation; Director of Business, Economic Development, and
4 Tourism; and Executive Director of the Hawaii Housing Finance
5 and Development Corporation.
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OFFERED BY: *Nella A. Deluchi*

MAR 07 2025

