
SENATE CONCURRENT RESOLUTION

REQUESTING THE GOVERNOR, THE COUNTY MAYORS AND COUNTY COUNCILS,
WITH THE ASSISTANCE OF THE TAX REVIEW COMMISSION, THE CITY
AND COUNTY OF HONOLULU'S TAX POLICY COMMITTEE AND
COMPARABLE COMMITTEES OF KAUAI, MAUI, AND HAWAII COUNTIES
TO REVIEW THE STATE AND COUNTIES' TAX AND REVENUE SYSTEM.

1 WHEREAS, real property values and real property taxes have
2 skyrocketed in the City and County of Honolulu and in Kauai,
3 Maui, and Hawaii counties as well; and
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5 WHEREAS, these skyrocketing increases in property values
6 and property taxes have been "too much and too fast" for most
7 people; and
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9 WHEREAS, the people of Hawaii are hurting and homeowners
10 and renters, particularly those on fixed low incomes, the
11 elderly, the disabled, and the poor, are the most vulnerable to
12 losing their homes in an already tight housing and rental
13 market; and
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15 WHEREAS, Hawaii has one of, if not the lowest, homeowner
16 occupancy rates in the nation, and approximately forty-eight per
17 cent of residents are renters; and
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19 WHEREAS, homeowners and renters have no control and
20 defenses against rising property values, which are fueled by
21 out-of-state and global economic forces; and
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23 WHEREAS, real property taxes are the primary source of
24 revenues for the counties; and
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26 WHEREAS, the counties are faced with ever increasing
27 administrative costs of public services for residents and large
28 daily populations of visitors and military personnel; and
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1 WHEREAS, the present administration of real property taxes
2 imposes an unfair burden upon homeowners and renters and, in
3 many cases, upon those who can least afford it; and
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5 WHEREAS, it is impossible to achieve a fair and equitable
6 tax revenue base for the counties to provide essential public
7 services if the base is limited to the real property tax; and
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9 WHEREAS, the counties have sought and continue to seek more
10 sources of revenues from the State, including the recently
11 passed general excise tax surcharge, the transient
12 accommodations tax, and state grants and appropriations; and
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14 WHEREAS, the counties' and the State's funding problems are
15 exacerbated by recent federal budgetary cutbacks in domestic
16 programs; and
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18 WHEREAS, federal and state income tax policies can have
19 both positive and negative impacts upon the State's and the
20 counties' funding resources, the economy, housing options,
21 social safety net programs, the environment, energy, education,
22 and the people; and
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24 WHEREAS, federal, state, and county tax policies in recent
25 years have shifted a greater portion of the tax and revenue
26 burden onto the lower and middle income classes and reduced the
27 tax and revenue burden away from the higher income classes,
28 corporations and big business, and special interest groups; and
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30 WHEREAS, federal, state, and county tax policies have
31 worked independently of each other without regard to the
32 cumulative impact and burden upon taxpayers and the people, and
33 at times have been inconsistent, counter-productive, and based
34 on invalid economic assumptions and projections; and
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36 WHEREAS, as recently demonstrated by the dispute between
37 the State and City and County of Honolulu over the collection
38 and distribution of the general excise surcharge, better
39 cooperation and coordination could make the tax collection less
40 costly and more efficient; and
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42 WHEREAS, state law established and authorized the State Tax
43 Review Commission to conduct a systematic review of the State's
44 tax structure using such standards as equity and efficiency; and



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2 WHEREAS, the Mayor of the City and County of Honolulu has
3 recently formed a Tax Policy Committee as a response to
4 residents' opposition to the skyrocketing real property values
5 and taxes and the City Council of the City and County of
6 Honolulu has passed tax relief measures, which many believe
7 would provide insufficient tax relief; and

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9 WHEREAS, many believe that a "holistic" review, study, and
10 restructuring of the State's and the counties' tax and revenue
11 generating systems must be done to achieve a fair and equitable
12 system for the State, the counties, and the people; now,
13 therefore,

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15 BE IT RESOLVED by the Senate of the Twenty-third
16 Legislature of the State of Hawaii, Regular Session of 2006, the
17 House of Representatives concurring, that the Governor, the
18 county Mayors and county councils with the assistance of the
19 State Tax Review Commission, the City and County of Honolulu's
20 Tax Policy Committee and comparable committees of Kauai, Maui,
21 and Hawaii counties, are requested to jointly review, study, and
22 recommend, with public input and participation from all
23 taxpayers, on how the State's and counties' tax and revenue
24 systems may be restructured and realigned to achieve a fair and
25 equitable tax and revenue system for the State and the counties;
26 and

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28 BE IT FURTHER RESOLVED that the State Tax Review Commission
29 and the City and County of Honolulu's Tax Policy Committee and
30 comparable committees of Kauai, Maui, and Hawaii counties are
31 requested to report their findings and recommendations to the
32 Legislature not later than twenty days prior to the convening of
33 the Regular Session of 2007; and

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35 BE IT FURTHER RESOLVED that certified copies of this
36 Concurrent Resolution be transmitted to Governor, the Mayors and
37 Chairpersons of the county councils of Honolulu, Kauai, Maui,
38 and Hawaii counties, the Chairperson of the State Tax Review
39 Commission, the Chairperson of the City and County of Honolulu's



1 Tax Policy Committee, and the Chairpersons of comparable tax
2 policy committees of Kauai, Maui, and Hawaii counties.

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OFFERED BY: *[Handwritten Signature]*

