

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:49 AM  
**To:** FINTestimony  
**Cc:** chezfed@att.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: IGOR V FEDOROFF  
Organization: Individual  
Address:  
Phone:  
E-mail: [chefed@att.net](mailto:chefed@att.net)  
Submitted on: 2/24/2011

### Comments:

The transient tax imposed on Hawai'i timeshare owners is becoming a disincentive to my wife and I spending as much time as we have been spending on the island of Maui (three weeks this year). We own timeshares in California, Arizona and Colorado. In no other state have we ever been imposed a transient tax. We felt somewhat slighted by the State of Hawai'i when we first started visiting one of our two Maui timeshares and realized we were being treated akin to hotel guests instead of the property owners we believe we are. Please do not add insult to injury by increasing the TAT further. We certainly will at some point reconsider not only our frequency and length of visits, but also whether we wish to continue to be homeowners at our home resorts in Maui if the TAT continues its upward trend.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Thursday, February 24, 2011 11:47 AM  
**To:** FINTestimony  
**Cc:** marsha.mullin@alston.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Marsha Mullin  
Organization: Individual  
Address:  
Phone:  
E-mail: [marsha.mullin@alston.com](mailto:marsha.mullin@alston.com)  
Submitted on: 2/24/2011

### Comments:

Ladies and Gentlemen:

My husband and I are timeshare owners at the Westin Princeville in Kauai, where we own two two-bedroom lockoffs. We strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase our TAT taxes. Please do not support these bills. They would force us to pay additional taxes on timeshare units we have paid for in full. As it is, we pay over \$3600 per year for our units now.

As returning visitors, we have contributed a lot to the local economy over the years, and we question the purpose and intent of this tax and its increase. We love Kauai and chose to purchase there because we love the sense of aloha, the beautiful scenery, the local festivities and the people. We plan to continue our regular visits, but the imposition of additional taxes will limit what we spend once on the island.

We respectfully request that you vote "NO" to these tax increases.

Thank you.

John D Grant

876 Briarwood Drive  
Greenwood, IN 46142

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Thursday, February 24, 2011 11:45 AM  
**To:** FINTestimony  
**Cc:** bill@guildgraphics.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: William R. Freeman  
Organization: Individual  
Address:  
Phone:  
E-mail: [bill@guildgraphics.net](mailto:bill@guildgraphics.net)  
Submitted on: 2/24/2011

**Comments:**

We are struggling to keep our timeshare and this bill will increase our yearly bill substantially. We may have to stop coming to Hawaii and sell out timeshare. We spend considerable amounts of money and visit often. Please defeat these bills.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:47 AM  
**To:** FINTestimony  
**Cc:** gggipson8853@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Gary and Gale Gipson  
Organization: Individual  
Address:  
Phone:  
E-mail: [gggipson8853@comcast.net](mailto:gggipson8853@comcast.net)  
Submitted on: 2/24/2011

### Comments:

Aloha, our names are Gary and Gale Gipson and we strongly oppose HBs 809 and 1092 which would significantly increase the transient accommodations tax (TAT) for timeshare owners in Hawaii. Supposedly, these bills propose to bring the taxation of timeshare units in line with all other transient accommodation rentals. Therein lies the problem, our timeshares when rented out is already assessed the full 9.25% TAT rate. However, when we occupy the unit--for which we already pay real property taxes, GET and other management and maintenance fees--we are still assessed an occupancy tax. Only in Hawaii and nowhere else. Now the legislature and Governor are proposing to significantly increase this tax!

We have been coming to Hawaii for the past 39 years and consider Hawaii our second home. We currently spend four to five weeks in Hawaii every year. We are loyal and caring visitors to these islands and strongly feel part of this community.

We are requesting that before you vote on this issue you take all the facts into consideration:

FACT: Hawaii timeshare owners already pay higher maintenance fees and taxes than for timeshares on the mainland.

FACT: Hawaii timeshare owners are loyal, stable and dependable visitors.

FACT: Hawaii timeshare owners contribute significantly to the communities in which they stay and in turn to the State's economy.

FACT: Hawaii timeshare owners are already required to pay to stay in their real property which they already paid for.

FACT: Hawaii timeshare owners unlike most hotel guests keep on returning year after year even when times are bad.

I would think that Hawaii's timeshare owner is the kind of visitor that you would want to support and encourage, not tax! Please vote NO on these bills!

Thank you,

Gary and Gale Gipson

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:46 AM  
**To:** FINTestimony  
**Cc:** mtsou@hawaii.rr.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Mark Tsou  
Organization: Individual  
Address:  
Phone:  
E-mail: [mtsou@hawaii.rr.com](mailto:mtsou@hawaii.rr.com)  
Submitted on: 2/24/2011

Comments:

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 7:07 PM  
**To:** FINTestimony  
**Cc:** Jramus@diab.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Joseph Ramus  
Organization: Individual  
Address:  
Phone:  
E-mail: [Jramus@diab.com](mailto:Jramus@diab.com)  
Submitted on: 2/24/2011

### Comments:

We are Hawaii timeshare owners, and we strongly object to HB 809, 1163, 1092 and SB 1319, all of which significantly increase the Transient Accommodations Tax (TAT) taxes. Please vote NO on these bills!

We have been coming to Hawaii for twenty years and consider Hawaii our second home. Seven years ago, we purchased a timeshare in Honolulu. We are loyal and caring visitors to these islands and strongly feel part of the community. It is disturbing and alarming to have a huge increase in the Taxes.

We have contributed a lot to the local economy over the years. We question the purpose and intent of this tax increase. We could have chosen to purchase our timeshare elsewhere but chose Hawaii because we love the Aloha traditions, the beautiful scenery, and the people. We are being treated unfairly with this significant tax increase. Nowhere else in the United States would we be facing this situation, since nowhere else is such a tax imposed for occupying a unit that we already paid for and own. We pay property tax on the property also. Although reluctant, perhaps it is time to consider going elsewhere for our vacations.

Because their rooms are already paid for, timeshare owners typically spend more during their stay than hotel guests. In addition, since they are likely repeat visitors, they spend time and dollars in the community. Hawaii timeshare owners, unlike most hotel guests, keep on returning year after year even when times are bad.

We think Hawaii's timeshare owner is the kind of visitor that you would want to support and encourage, not tax! Please vote NO on these bills!



## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 5:29 PM  
**To:** FINTestimony  
**Cc:** ggates@timeshareresaleshawaii.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: John G Gates  
Organization: Individual  
Address:  
Phone:  
E-mail: [ggates@timeshareresaleshawaii.com](mailto:ggates@timeshareresaleshawaii.com) Submitted on: 2/24/2011

**Comments:**

Aloha,

I am off island right now, but work in the resales industry. My focus is selling Hawaii timeshare. I speak to many owners of Westin and Marriott timeshare weeks who are wanting to sell at a loss simply to avoid the annual fees going up and up. I think this is a bad idea to treat the people who spend money in Hawaii this way.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 4:32 PM  
**To:** FINTestimony  
**Cc:** ptoyama821@aol.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Teresa Toyama  
Organization: Individual  
Address:  
Phone:  
E-mail: [ptoyama821@aol.com](mailto:ptoyama821@aol.com)  
Submitted on: 2/24/2011

### Comments:

I was born and raised in Hawaii. I left for college in 1966, and although I live in California now, I still consider Hawaii my home. In 2007, my wife and I realized a long time dream of owning a little piece of Aloha when we purchased our timeshare on Maui. Our family does not have the room for us to stay with them when we visit, so we thought the timeshare a perfect solution. We usually spend about 16 days visiting family on both Maui and Oahu. We are not wealthy people, which is why we come every two years - so that we can save up to go home to the Islands I love.

If you pass HBs 809, 1163, 1092, and SB 1319, all of which significantly increase my TAT taxes, I may have to sell my timeshare and stop visiting my family. At the very least, I will have to cut my visits short. The economy is tough right now, believe me, living in California where the unemployment rate is over 12%, I know how hard times can be. But this is not the answer. When I come to Hawaii with my family, we support the local economy and love doing so. To be faced with such a large tax increase is very alarming and disheartening!

Please do not support these bills. They not only are unfair to us because we already pay property taxes on our timeshare, but I consider it a slap in the face. It is said (and I believe it) that Hawaii timeshare owners are the most loyal, stable and dependable visitors; they contribute significantly to the community in which they stay, and in turn to the State's economy. Personally, that means a lot to me, considering I have many brothers, sisters, nieces, nephews, auntys and uncles living in Hawaii who depend on the tourist trade.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 4:24 PM  
**To:** FINTestimony  
**Cc:** snomura@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Suzanne Nomura  
Organization: Individual  
Address:  
Phone:  
E-mail: [snomura@comcast.net](mailto:snomura@comcast.net)  
Submitted on: 2/24/2011

**Comments:**

We are a timeshare owner and have been coming to Hawaii for the past 10 years and consider Hawaii the place to get away from all the pressure. As it is we save up every year to visit. But with this proposed increased, (HBs 809, 1163, 1092 and SB 1319) we will need re-look at the finances.

With the money we spend in Hawaii, I would think that would help the Hawaiian economy, now with potentially less money in our pockets, using our timeshare to trade to places closer to home will look more attractive: cheaper Airfare, food, & entertainment.

Please vote NO on these bills.

Regards,  
Suzanne Nomura  
Greg Forrest

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 4:21 PM  
**To:** FINTestimony  
**Cc:** paul.lotts@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Paul Lotts  
Organization: Individual  
Address:  
Phone:  
E-mail: [paul.lotts@comcast.net](mailto:paul.lotts@comcast.net)  
Submitted on: 2/24/2011

**Comments:**

As a recent timeshare owner in Kauai, I am troubled to learn that an accelerate tax is being proposed in the subject bills to "penalize" timeshare owners, like myself, who can barely defend themselves as out of state residents. I bought my timeshares thinking that Hawaii was hospitable to out of state owners who love this land and its people. This put a chill on our relationship and makes me wonder whether I should just divest myself of property in Hawaii and go to the Caribbean where this is not the case.

I urge you to vote against these bills and retain Hawaii as the place to go and own property.

Thank you,

Paul & Jeri Lotts  
42 Bridgeberry Place  
The Woodlands, TX 77381  
281-419-8128

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Date:** Thursday, February 24, 2011 3:12 PM  
**To:** FINTestimony  
**Cc:** wakuna@TimeshareResalesHawaii.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Wallace "Wally" Akuna  
Organization: Individual  
Address:  
Phone:  
E-mail: [wakuna@TimeshareResalesHawaii.com](mailto:wakuna@TimeshareResalesHawaii.com) Submitted on: 2/24/2011

Comments:  
February 24, 2011

**TO:** House Finance Committee  
Representative Marcus Oshiro, Chair  
Representative Marilyn Lee, Vice Chair

**FROM:** Wallace "Wally" Akuna (S)  
Timeshare Resale Specialist  
Bay Realty Inc., DBA Timeshare Resales Hawaii  
Lahaina, HI

**DATE:** Friday, February 25, 5:00pm, Room 308

**RE:** TESTIMONY FOR THE HOUSE FINANCE COMMITTEE HEARING ON HB 809

Chair Oshiro and Members of the Committee:

I've been in the Timeshare business since 1978 and in the Timeshare Resale business since April 2002 with Bay Realty Inc., DBA Timeshare Resales Hawaii in Lahaina, Maui. The single most important reason Hawaii timeshare owners resell their timeshare plans is because the taxes on maintenance fees increased significantly. The single most important reason prospective buyers on the resale market don't buy timeshare resales (at 30% to 80% below developer prices) is because the taxes and maintenance fees are too high.

I strongly oppose any increase in the TAT on timeshare owners maintenance fees, because our experience has confirmed that this increase in taxes will result in more timeshare owners wanting to give up their Hawaii timeshares, many owners lose their property before we can resell them. This would have a major impact on the timeshare industry in the Hawaiian Islands.

Timeshare Resales Hawaii has sold over 10,000 timeshare transactions since 1987 representing sellers with timeshare plans in over 65 timeshare properties in Hawaii. We have seen the market prices deteriorate in the last 4 years, because the taxes and maintenance fees are too high. Don't hurt this vital market that helps the State with 13% of the State's lodging with

over 10,000 timeshare units in the Islands. Hawaii timeshare resorts has maintained an occupancy rate of 91% and they support local businesses and the local economy.

Most of Hawaii timeshare owners have made a long-term commitment to Hawaii by purchasing and owning real property in Hawaii. These owners and their guest are dependable, consistent and stable visitors who bring substantial tax dollars to Hawaii and continue to come even during economic downturns.

I believe this legislation is detrimental to all timeshare owners as well as the Hawaii tourism industry, which will only exacerbate the existing disincentive to invest in and visit Hawaii. I respectfully ask you to hold this measure.

I am also a timeshare owner in Hawaii and I strongly oppose the proposed measure.

Thank you for allowing me to present testimony on this important matter.

Aloha  
Wally Akuna (S)  
Timeshare Resales Hawaii  
3481 L. Honoapiilani Rd.  
Lahaina, HI 96761  
[wakuna@TimeshareResalesHawaii.com](mailto:wakuna@TimeshareResalesHawaii.com)

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 3:24 PM  
**To:** FINTestimony  
**Cc:** gaildocken@shaw.ca  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Gail Docken  
Organization: Individual  
Address:  
Phone:  
E-mail: [gaildocken@shaw.ca](mailto:gaildocken@shaw.ca)  
Submitted on: 2/24/2011

**Comments:**

As a Timeshare Owner, I'm asking you to please vote no to this Bill. It doesn't make any financial sense to us, to continue visiting your state, if you do.

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Date:** Thursday, February 24, 2011 3:24 PM  
**To:** FINTestimony  
**Cc:** iengel@sbcglobal.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Isabel J Engel  
Organization: Individual  
Address:  
Phone:  
E-mail: [iengel@sbcglobal.net](mailto:iengel@sbcglobal.net)  
Submitted on: 2/24/2011

**Comments:**

I lost my job and can't keep paying out more money. If you want visitors keep coming to Hawaii stop taxing them to death!



## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 2:04 PM  
**To:** FINTestimony  
**Cc:** brunabyrne@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Jeff and Bruna Byrne  
Organization: Individual  
Address:  
Phone:  
E-mail: [brunabyrne@comcast.net](mailto:brunabyrne@comcast.net)  
Submitted on: 2/24/2011

Comments:  
WE NEED YOUR HELP!!

We were just made aware of new bills that will negatively affect us.

We are strongly opposed to HB's 809 and 1092, which propose to raise the TAT for timeshare owners.

The large increase in the TAT would increase my ANNUAL maintenance fee from \$3600 to close to \$4000!! This is ridiculous. Maintenance fees have been increasing every year due to the economic downturn. Owners inability to pay these fees have resulted in many losing their timeshares. This hike may do the same to us preventing us from our annual trips.

Five years ago, our family made a financial commitment to spend our vacations in Hawaii. Some years we spend several weeks vacationing there. I believe we not only support our local Hawaiian communities but also contribute to the sustainability of the visitor industry. We are "buying locals" and for this we are being assessed a transient tax for a unit that we already own? As a Hawaii taxpayer, I am disturbed that the timeshare is being singled out for an almost 400% increase. We strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare users.

Please support us. We love Hawaii and want to continue to come vacation there.

Sincerely,  
Jeff and Bruna Byrne  
Owners at Princeville Ocean Resort Villas

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:47 PM  
**To:** FINTestimony  
**Cc:** sdelucia@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Stephen DeLucia  
Organization: Individual  
Address:  
Phone:  
E-mail: [sdelucia@gmail.com](mailto:sdelucia@gmail.com)  
Submitted on: 2/24/2011

### Comments:

My name is Stephen De Lucia and I am a timeshare owner living in The Westin Princeville Ocean Resort Villas. I am strongly opposed to HBs 809, 1163, 1092 and SB 1319 which propose to raise the TAT for timeshare owners. I am one of the over 6,000 Hawaii residents who have purchased timeshare units in Hawaii. As a Hawaii taxpayer, I am disturbed that timeshare is being singled out for an almost 400% increase.

This large increase in the TAT would increase my maintenance fee payment from \$81.19 to \$310.75 in one jump. My family and I have made a financial commitment to spend our vacations in Hawaii. I am truly "buying local" and for this am being assessed a transient tax for staying in a unit that that I already own. No other owner of real property is subjected to pay an occupancy tax to occupy the real property they already own in Hawaii. No other state in the U.S. assesses such a tax on timeshare owners.

As a local timeshare owner, I believe we not only support our local communities, but also contribute to the sustainability of our visitor industry. I strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare owners.

Please understand my concerns.

Regards,

Stephen DeLucia  
6175 Acacia Ave  
Oakland, CA 94618

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:45 PM  
**To:** FINTestimony  
**Cc:** karen@aloha12.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM  
**Attachments:** TAT.docx

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Karen Webber  
Organization: Individual  
Address:  
Phone:  
E-mail: [karen@aloha12.com](mailto:karen@aloha12.com)  
Submitted on: 2/24/2011

Comments:  
Aloha,

I'm a timeshare owner at the Westin Kaanapali Villas North. I spend 2-4 weeks there every year. While on Maui we spend money in the community. We eat at Fred's Tacos in Kihei, Mama's Fish House in Paia, Aloha Mixed Plate in Lahaina, Outback in Lahaina, Pacifico's in Lahaina, Cheeseburger in Paradise in Wailea and lots of other restaurants. We eat breakfast at CJ's in Kaanapali every morning. They know us by name. We shop Costco, Kmart and Wal-Mart for food, toiletries and other necessary items. I buy shoes, clothing and jewelry every year. I'm not a typical tourist in that I rarely spend time at the resort. This year I'm thinking about buying a ukulele (not a souvenir—a nice one with good musical tone) and taking some lessons while I'm there. I've made a long-term commitment to Maui by purchasing real estate. I love the island and want to return year after year.

HOWEVER, I'm seriously thinking of spending my vacations elsewhere. Maui doesn't seem to appreciate my business. They are constantly thinking of ways to further tax me. My time share association had to spend big bucks fending off a huge and unfair tax increase just recently. I'm weary of being a tax target. I'm weary of wondering if I can afford my fees every year. I have been looking into spending my time in Mexico. They want my disposable income. They are practically begging me to come there by making it affordable. Their weather is similar and they have some beautiful beaches too. I'm from Southern CA so I know a little Spanish.

I want to continue to say Aloha, but I might have to say Asta la vista, Maui.

If you are a legislator who had tried to protect my interests by voting against taxing me, I say a big THANK YOU and encourage you to keep up the fight. I appreciate it.

Sincerely,

Karen Webber

\loha West Insurance Agency  
2850 Pio Pico Drive, Suite E, Carlsbad, CA 92008 PO Box 128 Carlsbad CA 92018 Phone 760-547-2626 Fax 760-547-2627 Toll Free 866-902-5642 [karen@aloha12.com](mailto:karen@aloha12.com) [www.alohawestinsurance.com](http://www.alohawestinsurance.com)

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:44 PM  
**To:** FINTestimony  
**Cc:** gaildo@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Gail Doyle  
Organization: Individual  
Address:  
Phone:  
E-mail: [gaildo@comcast.net](mailto:gaildo@comcast.net)  
Submitted on: 2/24/2011

Comments:  
Re: HB809 & HB1092

Ladies and Gentlemen,

Aloha. My husband and I are timeshare owners in Maui and we strongly oppose the above mentioned bills.

we love the islands, the aloha spirit, the beauty of the land, and continue to return year after year, even in the bad economy. We purchased our timeshares with the hopes of passing them down to our children and grandchildren, but the increased taxes are making it less and less affordable.

After researching I found that nowhere else in the United States would we be in this situation ~ paying a tax imposed for occupying a unit we already own. Our timeshare when rented is already assessed the full TAT tax rate. When we occupy the unit, for which we already pay property taxes, GET and other management and maintenance fees, we are still assessed an occupancy tax. This feels like discrimination or punishment for owning in the islands. It is time to support your timeshare owners.

Please take all the facts into consideration before voting on these bills. We have contributed much to the local economy over the years and want to continue our visits to your beautiful state. Please vote NO on these bills!

Thank you for your consideration.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**sent:** Thursday, February 24, 2011 1:24 PM  
**To:** FINTestimony  
**Cc:** wandergirlus@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Jun Zhou  
Organization: Individual  
Address:  
Phone:  
E-mail: [wandergirlus@yahoo.com](mailto:wandergirlus@yahoo.com)  
Submitted on: 2/24/2011

### Comments:

To whom this may concern:

My name is June and I am a timeshare owner in Hawaii since 2001. We own two timeshares, one is in Maui and just recently bought another one in Kauai, because of our love for your beautiful islands. We heard about the proposed tax increase for the timeshares, and are very upset and concerned. We strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase our TAT taxes. My family and I have been coming to Hawaii for the past 10 years, and consider Hawaii our second home. My husband and I got married in Hawaii and we always have been feeling part of the community and had our loyalty to the islands whenever we choose our vacation spot each year. To be slapped with tax hike on our already paid vacation timeshare is both disturbing and alarming.

We contributed a lot to the local economy, often invited our extended family to vacation with us in Hawaii. We are planning to have our 2012 family reunion in Hawaii, where our family from all over the world will be coming to visit your beautiful state and experiencing the sense of Aloha. Now we are upset and feeling being singled out with this significant tax increase. We question the purpose and intent of this tax and its increase. We could have chosen to purchase our timeshare elsewhere but chose Hawaii because I love the sense of aloha, the beautiful scenery, and people, now we felt that we are not welcomed any more, and we defiantly are not appreciated any more even though over the past decade, we have been your loyal and caring visitors, and contribute significantly to the communities and in turn to the State's economy.

Nowhere else in the United States would we be facing this situation, since nowhere else has such a tax imposed for occupying a unit we already paid for and own. Although reluctant, perhaps it is time to consider going elsewhere for our vacations and our family reunion.

Through out the years, our family has treated your people and your land with great respect, we do not appreciate to be treated as a faceless opportunity of additional tax income of your state government.

I ask you NOT to support these bills, instead, support and encourage your responsible and loyal visitors, that's us, Hawaii timeshare owners!

Your support of us will be highly appreciated!

Fun

Laugh Often, Live Well, Love Much

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:24 PM  
**To:** FINTestimony  
**Cc:** gweitzel2@comcast.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Greg Weitzel  
Organization: Individual  
Address:  
Phone:  
E-mail: [gweitzel2@comcast.net](mailto:gweitzel2@comcast.net)  
Submitted on: 2/24/2011

**Comments:**

I am writing to ask you to defeat HB 809. I have several timeshare intervals in Hawaii and these tax increases will cause great difficulty for me and my family.

The current economy has already depressed the value of timeshares in Hawaii. Rising fees and taxes have contributed to depressing the prices while putting the value and affordability of timesharing at risk.

The ebay market for timeshare resales has many resorts for sale that go unpurchased even when the opening bid is \$1. It is approaching the point where it costs money to give away a timeshare interval! Adding more costs to ownership at this time could be devastating to the entire industry and even result in a loss of revenue as people lose or abandon their properties.

Thank you for your consideration.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:34 PM  
**To:** FINTestimony  
**Cc:** michael.richard.fenn@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Michael R Fenn  
Organization: Individual  
Address:  
Phone:  
E-mail: [michael.richard.fenn@gmail.com](mailto:michael.richard.fenn@gmail.com)  
Submitted on: 2/24/2011

### Comments:

My name is Michael Fenn and I am a timeshare owner in Kaanapali Maui. I am strongly opposed to HBs 809 and 1092 which propose to raise the TAT for timeshare owners. This large increase in the TAT would increase my maintenance fee payment by over \$250 in one jump. My family and I have made a financial commitment to spend our vacations in Hawaii. I am truly "buying local" and for this am being assessed a transient tax for staying in a unit that that I already own. That increase in tax, in effect, reduces the amount of discretionary funds I have to eat in the restaurants, shop in the stores, and book tours. No other owner of real property is subjected to pay an occupancy tax to occupy the real property they already own in Hawaii. No other state in the U.S. assesses such a tax on timeshare owners.

As a Hawaii timeshare owner, I believe I support the Hawaiian local communities. I strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare owners.

Thank you

Michael R Fenn  
Westin Kaanapali North



## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:37 PM  
**To:** FINTestimony  
**Cc:** iyankem@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Dr. Richard Bernard  
Organization: Individual  
Address:  
Phone:  
E-mail: [iyankem@gmail.com](mailto:iyankem@gmail.com)  
Submitted on: 2/24/2011

**Comments:**

if this tax increase is enacted you will just force the owners to transfer their timeshare deeds to other places where such taxes don't exist. You will lose both tax and tourist revenue, I own 3 timeshares in Hawaii and will transfer in a minute if you pass this. Thank you

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:43 PM  
**To:** FINTestimony  
**Cc:** house.donald@con-way.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Donald Steven House  
Organization: Individual  
Address:  
Phone:  
E-mail: [house.donald@con-way.com](mailto:house.donald@con-way.com)  
Submitted on: 2/24/2011

**Comments:**

To Whom It May Concern,

My wife and I own a timeshare on Maui, and I strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase my TAT taxes. We have been coming to Hawaii ever since our honeymoon more than 27 years ago. Our family prides itself on being loyal and caring visitors to these islands and strongly feels part of this community. To be faced with an almost 300% increase in one fell swoop is both disturbing and alarming.

As a returning visitor, who has contributed to the local economy over the years, I question the purpose and intent of this tax and its increase. I could have chosen to purchase my timeshare elsewhere but chose Maui because I love the sense of aloha; the beautiful scenery, and people, and now we feel we are being singled out with this significant tax increase. Nowhere else in the United States would I be facing this situation, since nowhere else is such a tax imposed for occupying a unit I already paid for and own. Although reluctant, perhaps it is time to consider going elsewhere for my vacations.

I ask you not to support these bills.

Sincerely,  
Don House  
Paulette Stracuzzi

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:17 PM  
**To:** FINTestimony  
**Cc:** hijin@hodgearts.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: hyi jin kang hodge  
Organization: Individual  
Address:  
Phone:  
E-mail: [hijin@hodgearts.com](mailto:hijin@hodgearts.com)  
Submitted on: 2/24/2011

### Comments:

Aloha,

I am a timeshare owner, and I strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase my TAT taxes. I have been coming to Hawaii for the past 18 years and consider Hawaii my second home. I am a loyal and caring visitor to these islands and strongly feel part of this community. To be faced with an almost 300% in one fell swoop is both disturbing and alarming.

As a returning visitor, who has contributed a lot to the local economy over the years, I question the purpose and intent of this tax and its increase. I could have chosen to purchase my timeshare elsewhere but chose Hawaii because I love the sense of aloha, the beautiful scenery, and people, and now I feel am being singled out with this significant tax increase. Nowhere else in the United States would I be facing this situation, since nowhere else is such a tax imposed for occupying a unit I already paid for and own. Although reluctant, perhaps it is time to consider going elsewhere for my vacations.

I ask you not to support these bills.

Thank you,

Hi-jin Kang Hodge

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 1:06 PM  
**To:** FINTestimony  
**Cc:** waynoflkeys1@msn.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: wayne and marjorie hanson  
Organization: Individual  
Address:  
Phone:  
E-mail: [waynoflkeys1@msn.com](mailto:waynoflkeys1@msn.com)  
Submitted on: 2/24/2011

**Comments:**

increasing the TAT tax on timeshare holdings is an exorbitant increase. this would increase our taxes by 300%. we as timeshare owners spend a minimum of two weeks each year in hawaii and spend lots of money there as well. if this law is passed, as a tax increase, we will be forced to sell our timeshare unit and NEVER visit Hawaii again.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:34 PM  
**To:** FINTestimony  
**Cc:** tdunkin@dunkin.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Tim Dunkin  
Organization: Individual  
Address:  
Phone:  
E-mail: [tdunkin@dunkin.com](mailto:tdunkin@dunkin.com)  
Submitted on: 2/24/2011

**Comments:**

I am opposed to perceived gouging of time-share owners. As one, I visit the islands 2-3 times per year, and have spent thousands of dollars within the local economies. I can and will choose other destinations should unreasonable taxes be applied.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:07 PM  
**To:** FINTestimony  
**Cc:** regkane@att.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Roy and Regina Kaneshiro  
Organization: Individual  
Address:  
Phone:  
E-mail: [regkane@att.net](mailto:regkane@att.net)  
Submitted on: 2/24/2011

### Comments:

We are timeshare owners, and we strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase my TAT taxes. We have been coming to Hawaii for the past 30 years and consider Hawaii our second home. We are loyal and caring visitors to these islands and strongly feel part of this community. To be faced with a 300% tax hike in one fell swoop is both disturbing and alarming. This tax hike will cause a huge financial burden to our family.

As returning visitors, who have contributed a lot to the local economy over the years, we question the purpose and intent of this tax and its increase. We could have chosen to purchase our timeshare elsewhere but chose Hawaii because we love the sense of aloha, the beautiful scenery, and people, and now we feel that we are being singled out with this significant tax increase. Nowhere else in the United States would we be facing this situation, since nowhere else is such a tax imposed for occupying a unit I already paid for and own. Although reluctant, perhaps it is time to consider going elsewhere for our vacations.

We ask you to please DO NOT support these bills so that we can continue to visit Hawaii every year. Thank you for your kind consideration.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:19 PM  
**To:** FINTestimony  
**Cc:** mhoyt@acesbuilderswarranty.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Max B. Hoyt  
Organization: Individual  
Address:  
Phone:  
E-mail: [mhoyt@acesbuilderswarranty.com](mailto:mhoyt@acesbuilderswarranty.com)  
Submitted on: 2/24/2011

### Comments:

Thank you for the opportunity to contact you regarding TAT. I know that the State needs additional revenue as do all others. In that Hawaii is primarily dependent on the Tourist industry and military bases for employment, I believe it is not wise to attack the "golden goose." My family and I have returned to the islands annually for 3-4 weeks since 1964. We now own four weeks of Westin Time Shares which we can use anywhere in the world. This proposed tax increase will cause us to use Starwood properties in the US, the Caribbean or Europe rather than return to Hawaii if this passes. We cannot afford the largess and waste of funds the legislature currently gets from all taxpayers, especially tourists. Thank you, Aloha

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:06 PM  
**To:** FINTestimony  
**Cc:** lindapond.realestate@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Linda Pond  
Organization: Individual  
Address:  
Phone:  
E-mail: [lindapond.realestate@yahoo.com](mailto:lindapond.realestate@yahoo.com)  
Submitted on: 2/24/2011

Comments:

Dear Finance Committee Members:

I understand that the Governor is proposing legislation that will have a HUGE NEGATIVE impact on Hawaii's Tourism Industry: HB 809, HB 1163, HB 1092 and SB 1319, increasing the Transient Accommodations Tax (TAT) rate to an exorbitant 9.25%! I am a timeshare owner and spend several months a year in Hawaii. I oppose any increase in my timeshare TAT taxes. This tax discriminates against timeshare owners because if I owned a second vacation home or condo unit in Hawaii I would not have to pay this tax. But like them and all other owners of real property in Hawaii, I also pay real property, GET and conveyance taxes on my timeshare. No other owner of real property is subjected to pay an occupancy tax to occupy the real property they already own in Hawaii.

Timeshare owners have made a long-term commitment to Hawaii by purchasing and owning real property in Hawaii. These owners are dependable, consistent and stable visitors who bring substantial tax dollars to Hawaii and continue to come even during economic downturns. Because their accommodations are already paid for, timeshare owners typically spend more during their stay than hotel guests. In addition, since they are likely repeat visitors, more time and dollars are spent in the community rather than at their timeshare property. Airline fares from the Mainland and elsewhere have escalated, causing a serious threat to many of the timeshare owners, yet they still sacrifice to get to Hawaii. My fear is that increasing the TAT by almost 300% will be the proverbial "straw to break the camel's back" and many timeshare owners will decide to spend their vacations anywhere BUT Hawaii because NO OTHER STATE assesses such a tax on timeshare owners!!!

I am on the Board of Directors at the Marriott Kauai Beach Club and I can tell you that our timeshare owners are already paying more than their fair share! Our Maintenance Fees and taxes are already the highest in the nation! But our 12,000 timeshare owners are the most loyal in the nation and want to keep returning year after year to spend their vacations and their money locally in Kauai. You may consider them "transient" and think they will just



"absorb" the 300% increase in the TAT but I can tell you that their Resort is their "Home Away From Home" and this will NOT sit well and will most certainly drive many away!

As you must already know, the Hawaii timeshare industry has consistently posted higher occupancy rates than hotels. In 2009, timeshare occupancy averages over 90%---almost 25% higher than hotels and condo hotels. The timeshare industry generated over \$87 million in taxes in 2009, including real property, GET and TAT. Timeshares in Hawaii employed about 4,500 employees statewide in 2009 with a payroll of \$293 million.

I realize you are facing difficult choices as you and the Governor deal with the State's budget crisis. However, raising the TAT on timeshares is discriminatory and wrong and should not pass. You will be killing the Goose that is laying the Golden Egg! Annual return trips by timeshare owners to Hawaii are at the heart of the Tourism industry. I strongly oppose this tax and any increase to it and to increase any tax on timeshare owners. I ask you to defeat the passage of HB 809, HB 1163, HB 1092 and SB 1319 and oppose any attempt to increase the taxes on timeshare owners to stay in their own properties! VOTE NO!

Thank you for your careful consideration in this matter,

Linda Pond

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:04 PM  
**To:** FINTestimony  
**Cc:** drummervet@sbcglobal.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Jay W Naylor  
Organization: Individual  
Address:  
Phone:  
E-mail: [drummervet@sbcglobal.net](mailto:drummervet@sbcglobal.net)  
Submitted on: 2/24/2011

### **Comments:**

Dear members of the Finance committee:

We are timeshare owners in your great state, and we strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase our TAT taxes. We have been coming to Hawaii for the past 4-5 years (we will be coming twice in 2011!) and consider Kaua'i our vacation spot of choice. We are loyal and caring visitors to these islands and strongly feel part of this community. To be faced with an almost 300% increase in these taxes in one fell swoop is both disturbing and alarming.

As returning visitors, who have contributed a lot to the local economy over the years, we question the purpose and intent of this tax and its increase. We could have chosen to purchase our timeshare elsewhere but chose Hawaii because we love the sense of aloha; the beautiful scenery, and people, and now we feel we are being singled out with this significant tax increase. Nowhere else in the United States would we be facing this situation, since nowhere else is such a tax imposed for occupying a unit we already paid for and own.

We read in today's paper an article by Al Lewis who is a columnist for Dow Jones Newswire in Denver that is already disturbing enough. He states that all over the country, people are dumping timeshares due to the market being "ravaged by the recession" and their value is greatly declining. Many people purchased timeshares (many, of course in beautiful Hawai'i) but did not expect recession, unemployment or other financial calamities. To add increasing TAT and other fees will only add to this problem. Your proposed legislation may have the effect of decreased revenues as fewer and fewer mainlanders choose to vacation in your great state. Please know that we considered very carefully what our annual maintenance fees would be when we chose to purchase. To increase taxes 300% is unacceptable and an unreasonable increase.

We respectfully ask you not to support these bills.

Sincerely,

Tay and Lori Naylor

Round Rock, TX. 78681

512-255-4747

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 12:04 PM  
**To:** FINTestimony  
**Cc:** tony@vieleconstruction.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Anthony J Faulhaber  
Organization: Individual  
Address:  
Phone:  
E-mail: [tony@vieleconstruction.com](mailto:tony@vieleconstruction.com)  
Submitted on: 2/24/2011

### Comments:

I am a time share owner at the Westin Kanapali Ocean Resort villa North and have come to love your beautiful state and look forward to our visit each year. I say visit, but it has come to feel more like a homecoming since we have purchased the time share in Maui. I feel that the Transient Accommodations Tax is unfair and will likely put future trips to Hawaii out of our reach.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Thursday, February 24, 2011 12:03 PM  
**To:** FINTestimony  
**Cc:** PABLawyer@aol.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Peter A. Bagatelos  
Organization: Individual  
Address:  
Phone:  
E-mail: [PABLawyer@aol.com](mailto:PABLawyer@aol.com)  
Submitted on: 2/24/2011

### Comments:

HBs 809 and 1092 have been proposed to raise the Transit Accommodations Tax (TAT) for timeshare owners. As the owner of three timeshares located at the Maui Westin Kaanapali Villas North and South and a recently appointed member of the North Board of Directors, I am writing to express my STRONG OPPOSITION to these bills for the following reasons:

&#183; There are currently more than 6,000 local residents who own timeshares in Hawaii. So these bills will raise taxes on thousands of Hawaii residents, not just on visitors. This will not go over well with residents who vote in the state and their friends and family members whom they will influence;

&#183; Timeshare owners like me have made a long-term commitment to Hawaii by purchasing and owning real property in Hawaii. Such owners are dependable, consistent, and stable visitors who bring substantial tax dollars to Hawaii and continue to come even during economic downturns. But the costs of airfare, rental cars, meals, and many other items have all increased dramatically, making the total cost of a trip to Hawaii very expensive in these troubled economic times. Taxes on rental cars were substantially increased in the past couple years. Gasoline prices are going through the roof now. Are you convinced that imposing heavier taxes is the right way to promote tourism?

&#183; The Hawaii Visitors and Convention Bureau confirms that Hawaii's tourism trade has been battered by the recession and that Hawaii has a long way to go to fully recover from a steep drop in tourism business that began in 2008. Statistics typically show that increasing taxes on troubled industries is not the way to stimulate growth.

&#183; Because their rooms are already paid for, timeshare owners typically spend more during their stay than hotel guests. In addition, since they are likely to be repeat visitors, they spend more time and dollars in the community rather than just at their timeshare property.

&#183; Timeshare owners are Hawaii property owners who pay an annual maintenance fee that includes real property taxes, general excise taxes, and maintenance and management fees. No other owner of real property in Hawaii is required to pay an occupancy tax to stay in real property they already own. This is a sensitive legal issue that may lead to protracted expensive litigation.

&#183;These tax increases single out one segment of our visitor industry that has been very loyal, and it may have a significant chilling effect on new and existing timeshare projects in Hawaii. This could result in a substantial loss in tax revenue and jobs for the state. This is especially of concern since the majority of visitor industry construction projects over the past 5 years have been timeshare developments or developments with a timeshare component.

&#183;Timeshare owners are already paying more than their fair share. In most cases, their maintenance fees and taxes are already the highest in the nation.

&#183;At a time when Hawaii should be encouraging residents and visitors to "buy local" and vacation in Hawaii to support the local economy, the proposed bills are counter to that philosophy.

&#183;Hawaii needs more economic development and encouraging more timeshares is one way to stimulate the economy. Please do not discourage timeshares.

The Maui Council also raised taxes on timeshares in the past couple of years. All of these taxes are generally known as "loading up" and will have a very negative impact on timeshare marketability. Many people are becoming disenchanted with timeshare ownership and there is a growing market for trade-ins at discounted prices. Killing the market with increasing costs, including ever-increasing taxes, is not the right way to promote a healthy economy.

Please Vote NO On HBs 809 and 1092 !!!

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Thursday, February 24, 2011 11:41 AM  
**To:** FINTestimony  
**Cc:** jimphauser@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM  
**Attachments:** HB 809 comment.pdf

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: James Hauser  
Organization: Individual  
Address:  
Phone:  
E-mail: [jimphauser@gmail.com](mailto:jimphauser@gmail.com)  
Submitted on: 2/24/2011

Comments:

I am a resident of the State of Maryland and, also, a timeshare owner at Hilton's Kingsland resort in Waikoloa. The tax increases you are proposing in HB 809, even if temporary, would have a very negative impact. If passed, I would certainly have to consider transferring my Hilton ownership to a different Hilton resort outside the State of Hawaii.

Tax increases often have the opposite effect of the one intended. Consider what happened in Maryland in 2009 when our state legislature created a millionaire tax bracket. One year later in 2009 fully one third of the millionaires disappeared from the tax rolls. The net result was a \$100M *decrease* in tax revenue from million dollar income filers instead of the anticipated \$106M increase. Over the long term, lowering tax rates rather than increasing them will produce more tax revenue by broadening your tax base. Your tax increases will have the opposite effect than what you desire.



## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Thursday, February 24, 2011 11:41 AM  
**To:** FINTestimony  
**Cc:** ujludwig@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Ulysses Ludwig  
Organization: Individual  
Address:  
Phone:  
E-mail: [ujludwig@yahoo.com](mailto:ujludwig@yahoo.com)  
Submitted on: 2/24/2011

**Comments:**

You tax your visitors then we won't come - ultimately you will erode the value of our properties to a point where you can't legally collect taxes because the valuation will be incorrect. Currently our timeshares are worth 1/3 what they were 6 years ago - your taxes simply transfer the value of our property to you and in the end there's no value to tax. Be reasonable and remember that we, as your guests, do have choices, Costa Rica is starting to be a great alternative. I'd rather see the state of Hawaii fix its fiscal problems such as employee pensions instead of overtaxing your increasingly unappreciated guests.

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:52 AM  
**To:** FINTestimony  
**Cc:** troy@vukovichinsurance.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: troy vukovich  
Organization: Individual  
Address:  
Phone:  
E-mail: [troy@vukovichinsurance.com](mailto:troy@vukovichinsurance.com)  
Submitted on: 2/24/2011

### Comments:

Aloha, my name is Troy Vukovich, my wife and I strongly oppose HBs 809, 1163, 1092 and SB 1319 which would significantly increase the transient accommodations tax (TAT) for timeshare owners in Hawaii. Supposedly, these bills propose to bring the taxation of timeshare units in line with all other transient accommodation rentals. Therein lies the problem, my timeshare when rented out is already assessed the full 9.25% TAT rate. However, when I occupy the unit--for which I already pay real property taxes, GET and other management and maintenance fees--I am still assessed an occupancy tax. Only in Hawaii and nowhere else. Now the legislature and Governor are proposing to significantly increase this tax!

I am requesting that before you vote on this issue you take all the facts into consideration:

FACT: Hawaii timeshare owners already pay higher maintenance fees and taxes than for timeshares on the mainland.

FACT: Hawaii timeshare owners are loyal, stable and dependable visitors.

FACT: Hawaii timeshare owners contribute significantly to the communities in which they stay and in turn to the State's economy.

FACT: Hawaii timeshare owners are already required to pay to stay in their real property which they already paid for.

FACT: Hawaii timeshare owners unlike most hotel guests keep on returning year after year even when times are bad.

I would think that Hawaii's timeshare owner is the kind of visitor that you would want to support and encourage, not to overburden with unfair taxation! Please vote NO on these bills!

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:50 AM  
**To:** FINTestimony  
**Cc:** bernard\_king@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Bernard King  
Organization: Individual  
Address:  
Phone:  
E-mail: [bernard\\_king@yahoo.com](mailto:bernard_king@yahoo.com)  
Submitted on: 2/24/2011

### Comments:

Aloha, my name is Bernard King and I strongly oppose HB 809 which would significantly increase the transient accommodations tax (TAT) for timeshare owners in Hawaii . Supposedly, these bills propose to bring the taxation of timeshare units in line with all other transient accommodation rentals. Therein lies the problem, my timeshare when rented out is already assessed the full 9.25% TAT rate. However, when I occupy the unit--for which I already pay real property taxes, GET and other management and maintenance fees--I am still assessed an occupancy tax. Only in Hawaii and nowhere else. Now the legislature and Governor are proposing to significantly increase this tax!

I am requesting that before you vote on this issue you take all the facts into consideration:

FACT: Hawaii timeshare owners already pay higher maintenance fees and taxes than for timeshares on the mainland.

FACT: Hawaii timeshare owners are loyal, stable and dependable visitors.

FACT: Hawaii timeshare owners contribute significantly to the communities in which they stay and in turn to the State's economy.

FACT: Hawaii timeshare owners are already required to pay to stay in their real property which they already paid for.

FACT: Hawaii timeshare owners unlike most hotel guests keep on returning year after year even when times are bad.

I would think that Hawaii's timeshare owner is the kind of visitor that you would want to support and encourage, not tax! Please vote NO on these bills!

Thank you,

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 11:51 AM  
**To:** FINTestimony  
**Cc:** drjl375@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Joan Levine  
Organization: Individual  
Address:  
Phone:  
E-mail: [drjl375@gmail.com](mailto:drjl375@gmail.com)  
Submitted on: 2/24/2011

**Comments:**

As timeshare own I strongly object to the burden of such a significant TAT increase. One that amounts to a 300% increase on my timeshare TAT tax. (As assessments are scheduled to increase from 50% of annual fair market value to 150% of fair market value. YOU know that tourism is Hawaii's major "export" and I think the costs I running your beautiful state must be apportioned more equitably...shared by all. This makes timeshare in Hawaii problematic for all of us who love your state and want to be part, but not in an UNFAIR way.

## **FINTestimony**

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**n:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 10:44 AM  
**To:** FINTestimony  
**Cc:** syed@advantagevacation.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Syed Sarmad  
Organization:  
Address:  
Phone:  
E-mail: [syed@advantagevacation.com](mailto:syed@advantagevacation.com)  
Submitted on: 2/24/2011

### Comments:

Timeshares are a big part of the tourist economy in Hawaii. Taxing timeshare travellers even more will mean fewer people vacationing in Hawaii. This will affect the local economy with lower revenues and higher unemployment. Maui and Kauai economies are affected greatly by timeshare vacationers. Over 70% of the people living in these 2 islands are dependant, directly or indirectly, on tourism, for their livelihood. I am a Maui buinessman and a voter. This bill will hurt my business. Dont kill the goose that lays the golden egg!

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 6:33 AM  
**To:** FINTestimony  
**Cc:** lindakoop@windstream.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Francis & Linda Koop  
Organization: Individual  
Address:  
Phone:  
E-mail: [lindakoop@windstream.net](mailto:lindakoop@windstream.net)  
Submitted on: 2/24/2011

### Comments:

We strongly oppose this bill which would significantly increase the transient accommodations tax (TAT) for timeshare owners in Hawaii. This bill proposes to bring the taxation of timeshare units in line with all other transient accommodation rentals. Therein lies the problem, our timeshare when rented out is already assessed the full 9.25% TAT rate. However, when we occupy the unit-for which I already pay real property taxes, GET and other management and maintenance fees- I am still assessed an occupancy tax. Only in Hawaii and nowhere else. Now the legislature and Governor are proposing to significantly this tax! I am requesting that before you vote on this issue you take all the facts into consideration.

FACT: Hawaii timeshare owners already pay higher maintenance fees and taxes than for timeshares on the mainland.

FACT: Hawaii timeshare owners are loyal, stable and dependable visitors.

FACT: Hawaii timeshare owners contribute significantly to the communities in which they stay and in turn to the State's economy.

FACT: Hawaii timeshare owners are already required to pay to stay in their real property which they already paid for.

FACT: Hawaii timeshare owners unlike most hotel guests keep on returning year after year even when times are bad.

I would think that Hawaii's timeshare owner is the kind of visitor that you would want to support and encourage, not tax! Please Vote NO on this bill. Thank you Linda & Francis Koop, Timeshare owner.



## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 8:08 AM  
**To:** FINTestimony  
**Cc:** heather321@sbcglobal.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Anthony H. Jackson  
Organization: Individual  
Address:  
Phone:  
E-mail: [heather321@sbcglobal.net](mailto:heather321@sbcglobal.net)  
Submitted on: 2/24/2011

**Comments:**

I am writing to express my opposition to this bill which will increase taxes for property I own in Kauai, Hawaii. Increases in the transient accommodation tax and changes to the fair market value calculation would make it very cost prohibitive to maintain our "vacation home". I urge you to oppose the bill. Thank you for your consideration. Anthony H. Jackson (216) 990-4433

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 6:26 PM  
**To:** FINTestimony  
**Cc:** jessecoffey@kw.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Jesse Coffey  
Organization: Individual  
Address:  
Phone:  
E-mail: [jessecoffey@kw.com](mailto:jessecoffey@kw.com)  
Submitted on: 2/24/2011

### Comments:

“Testimony for the House Finance Committee hearing on HB 809 Hearing Information:  
Friday, February 25, 5:00pm, Room 308

We own at the Westin Princeville in Kaua'i and have considered buying a timeshare on Maui. Due to increasing maintenance fees and taxes we may purchase in Mexico instead. We usually spend ten days in the State of Hawaii every year. We just returned from a seventeen day vacation split between Maui and Kaua'i. Over the past three years we have found the need to cut back on extras when we travel to Hawaii. We hardly ate out this trip and spent much less on merchandise, gifts, and entertainment.

As Californians we are over taxed to begin with, but other than the car tax we have seen little change in the recent years. We expect taxes, higher prices, and a premium when traveling to Hawaii. At some point there has to be a limit. Tourist like us will continue to travel to Hawaii, but for shorter durations and they will spend less money in shops and restaurants. Although the proposed tax is generated to help the State, your residents will ultimately feel the sting of reduced spending as it becomes more and more expensive to travel to Hawaii.

We have friends that work in the tourist industry on Maui. They will also be affected by this change. Last week at a luau at the Hyatt on Maui we met hula dancers from the luau show who commented on the decrease in crowd sizes even though travel is still strong. People are not spending as much.

At this time we are only timeshare owners in your wonderful State, but we do intend to become full time residents in six years when our daughter graduates high school. We plan to purchase a vacation rental on Maui in 2-3 years which will eventually become our home. We live in California where residents are over taxed and the government wastes our tax dollars. We have businesses and wealthy residents leaving California for other states. Although taxes are a necessity they also hinder growth and prosperity if too high. Take a lesson from California on how to not run a State.

As a future resident, a current regular visitor, and lover of the State of Hawaii I hope that you understand my position and agree that limits should be set at some point. Over taxing ultimately will hurt the residents of Hawaii.

Mahalo,

Jesse Coffey

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 6:54 PM  
**To:** FINTestimony  
**Cc:** holbrookplace@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Michelle & Ray Madruga  
Organization: Individual  
Address:  
Phone:  
E-mail: [holbrookplace@yahoo.com](mailto:holbrookplace@yahoo.com)  
Submitted on: 2/24/2011

### Comments:

To whom it may concern,

I am a timeshare owner, and I strongly object to HBs 809 & 1092, which will significantly increase my TAT taxes. I have been coming to Hawaii for the past 20+ years and consider Hawaii my favorite destination in the world. My husband and I are loyal and caring visitors to these islands and strongly feel part of this community. If these bills pass, they will lead to an approximate 300% increase in TAT on our villa use. Such an increase is both disturbing and alarming!!!

As a returning visitor, who has contributed significantly to the local economy over the years, I question the purpose, and more importantly, the intent of this tax and its increase. I could have chosen to purchase my timeshare elsewhere but chose Hawaii because I love the sense of aloha, the beautiful scenery, and people. I feel we are being singled out with this significant tax increase. Nowhere else in the United States would I be facing this situation, since nowhere else is such a tax imposed for occupying a unit I already paid for and own!!! How does that possibly make sense?! Although reluctant, perhaps it is time to consider going elsewhere for my vacations.

I ask you not to support HB 809. We bought in Maui to have a place of our own that we knew we would visit at least once per year. Moreover, we wanted to leave our children with the love of the island as we have. However, such taxes have really made us second-guess our decision to commit to Maui, especially when my in-laws and brother were both considering buying a time share there too. We have strongly discouraged them thus far until this tax situation is settled for the betterment of the timeshare owners. I am truly outraged that we are the ones that have to foot this bill!

Please take into account my perspective as a visitor and lover of Hawaii...it is definitely making it hard to love returning to the islands when we have bills like these to face.

Sincerely,

Michelle & Ray Madruga  
Timeshare owners, Maui

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 7:13 PM  
**To:** FINTestimony  
**Cc:** allysa2001@hotmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: nancy bennett  
Organization: Individual  
Address:  
Phone:  
E-mail: [allysa2001@hotmail.com](mailto:allysa2001@hotmail.com)  
Submitted on: 2/24/2011

### Comments:

I am a timeshare owner at Westin Kaanapali resorts and I am writing to the State legislature to reaffirm to Hawaii how significant a component timeshare vacationers are to tourism in Hawaii, and businesses of Hawaii. We spend as much if not more than the occasional tourist, we come to the island annually or more frequently and spend a lot more. With the raising of these fees I feel you are discriminating against one group of tourists. This is not right and it will have in total a negative effect to your islands business, laborers etc as we will not continue to spend as much, tip as much etc. This will effect revenues for businesses, especially in Maui and Kauai, and ultimately impact employment. It is extremely disappointing that Hawaii would do this now to timeshare owners when we are impacted as much as you. My next visit to my timeshare if this is raised I will inform waiters and others why I am tipping less and maybe the Hawaiian residents will carry the voice forward to not raise the TATs.

thank you

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Thursday, February 24, 2011 7:31 PM  
**To:** FINTestimony  
**Cc:** julietotamayo@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Julieto and Filipina Tamayo  
Organization:  
Address:  
Phone:  
E-mail: [julietotamayo@yahoo.com](mailto:julietotamayo@yahoo.com)  
Submitted on: 2/24/2011

Comments:  
February 25, 2011

Dear Rep. Brower,

Our names are Julieto and Filipina Tamayo and we are timeshare owners living now in Honolulu. We are strongly opposed to HBs 809 and HB 1092 which propose to raise the TAT for timeshare owners. We are one of the over 6,000 Hawaii residents who have purchased timeshare units in Hawaii. As Hawaii taxpayers, we are disturbed that timeshare is being singled out for an almost 400% increase.

This large increase in the TAT would increase our maintenance fee payment from \$2126.00 to \$2344.00 in one jump. Our family have made a financial commitment to spend our vacations in Hawaii. We are truly "buying local" and for this are being assessed a transient tax for staying in a unit that that we already own. No other owners of real property are subjected to pay an occupancy tax to occupy the real property they already own in Hawaii. No other state in the U.S. assesses such a tax on timeshare owners.

As local timeshare owners, we believe we not only support our local communities, but also contribute to the sustainability of our visitor industry. We strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare owners.

Sincerely yours,

Julieto Tamayo

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 7:35 AM  
**To:** FINTestimony  
**Cc:** gr8reys@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Stewart Reynolds  
Organization: Individual  
Address:  
Phone:  
E-mail: [gr8reys@gmail.com](mailto:gr8reys@gmail.com)  
Submitted on: 2/25/2011

**Comments:**

I am disturbed that timeshares are being singled out for an almost 400% increase. VOTE NO

We have already seen since 2006 the economy sucks. My pay has been cut and my wife no longer is employed. Our property assessments our down, mortgages loans are also down which should be good news but we can't refinance without cash out of pocket to make up the difference. We work hard and always pay what is owed every year and economy again... paycheck just doesn't go very far anymore. Hey - we have HEALTH INSURANCE THOUGH! My family and I have made a financial commitment to spend our vacations in Hawaii. I know there were many people who just gave their timeshares back to the bank. Families are not asking you for a hand out but a hand up. Support is not in our hands. My belief is Large government thinking and deciding for us that has put us on the downward spiral. We don't want to be ones who have to follow this trend.

The government doesn't need just a freeze on salaries, government needs to cutting salaries.

## **FINTestimony**

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**From:** mailinglist@capitol.hawaii.gov  
**ent:** Friday, February 25, 2011 7:06 AM  
**To:** FINTestimony  
**Cc:** bmi752@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Brad Ivie  
Organization: Individual  
Address:  
Phone:  
E-mail: [bmi752@yahoo.com](mailto:bmi752@yahoo.com)  
Submitted on: 2/25/2011

Comments:



## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 6:57 AM  
**To:** FINTestimony  
**Cc:** darrinmoreman@hotmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Darrin Moreman  
Organization: Individual  
Address:  
Phone:  
E-mail: [darrinmoreman@hotmail.com](mailto:darrinmoreman@hotmail.com)  
Submitted on: 2/25/2011

### Comments:

I am a Hawaii resident and timeshare owner for 8 years. I strongly oppose the bills under consideration that will increase my timeshare TAT taxes. I am not wealthy and I bought my timeshare to give my family an affordable vacation in Hawaii every year. I do not understand why you and the Governor are proposing to increase the TAT tax I am forced to pay on the maintenance fees on my unit. Why should timeshare owners like me who own their units have to pay a transient tax to stay in our units? If we follow this logic, I should also be paying a transient tax to stay in my home, which I also own. If I owned a timeshare anywhere else in the United States I would not be paying such a tax. Only in Hawaii am I being penalized for owning a timeshare. Why aren't condo/condotel or vacation homeowners paying this tax as well? Why are only timeshare owners singled out and taxed? Please do not support these TAT increase and burden my family with this unfair and unreasonable tax. I understand that the State has a large budget deficit but raising revenues on the backs of the timeshare owner is not the way to go! Vote NO!

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 3:39 AM  
**To:** FINTestimony  
**Cc:** pattycox1@att.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Patricia A Cox  
Organization: Individual  
Address:  
Phone:  
E-mail: [pattycox1@att.net](mailto:pattycox1@att.net)  
Submitted on: 2/25/2011

### Comments:

As a timeshare owner in Maui County, I am in residence there two weeks each year. My family spends a several thousand dollars during that time with local businesses on food, beverages, services and activities. This increase in the transient accomodations tax would result in my family cutting back on our spending in restaurants and activities by dining in and spending more time at the beach. This type of trend by timeshare owners would result in reduced income or job losses for those in Hawaii in the tourism industry. I urge you to consider the spending patterns within the budgets of timeshare owners during our time in residence, consider the impact that this increase in the TAT will have, and consider alternate measures to generate this needed revenue.

Aloha, Our names are Steve and Gloria Cosby and we recently purchase (October 2010) timeshare in Hawaii, after our third vacations there. We have plan on spending all of ours vacation time enjoy Hawaii and decided to purchase ours timeshare after concerning the price of the unit and taxes. I understand that we all are experience some form economic shortfall and we all have to made some cuts and increases. This proposes HB 808 to raise the TAT for timeshare will have great complication to maintain the raising prices. I am strongly opposed to HBs 809, 1163, 1092 and SB 1319 which propose to raise the TAT for timeshare owners. I am one of the over 6,000 Hawaii residents who have purchased timeshare units in Hawaii. As a Hawaii taxpayer, I am disturbed that timeshare is being singled out for an almost 400% increase.

This large increase in the TAT would increase my maintenance fee payment from \$ 1780 to \$3680 in one jump. My family and I have made a financial commitment to spend our vacations in Hawaii. I am truly "buying local" and for this am being assessed a transient tax for staying in a unit that that I already own. No other owner of real property has to pay an occupancy tax to occupy the real property they already own in Hawaii. No other state in the U.S. charges such a tax on timeshare owners.

As a local timeshare owner, I believe we not only support our local communities, but also contribute to the sustainability of our visitor industry. I strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare owners. MAHALO

HB809

Feb, 22, 2011

Reference: TAT increase

I am writing to ask you to please think long and hard before you vote on the considered proposal regarding the TAT increase. An increase from 2% to between 7.25% - 9.25% will be a hardship for many people. I know that my family will definitely have to reevaluate our timeshare and more than likely have to sell it if the tax increase includes our villa in Kauai. The amount that we currently pay each year just in taxes to use our timeshare one week out of the entire year is already more than what we pay in taxes for our home in Missouri. We do not have a lot of money but when we came to visit Maui two years ago we were so impressed with the beauty of the island that we decided that we wanted to share this experience with our children. We save everything we can to be able to travel to Hawaii for one week every other year and will not be able to afford this tax increase in addition to the airfare expense. I'm sure we are just one of many families that will have to sell out and this makes me very sad. Please do not vote for this tax increase.

With Regards,

Penny Heying

**Hawaii TAT Bills**

Aloha

I have previously written to various committee members and wish to reiterate my opposition to these Bills. I am a Princeville Kauai timeshare owner working in NYC and residing in New Jersey. As I already live and work in two of the most repressive and highly taxed States in our Great Country, I am strongly opposed to HBs 809, 1163, 1092 and SB 1319 which propose to raise the TAT for timeshare owners. I am one of thousands of Hawaii non-residents who have purchased timeshare units in Hawaii. I visit Hawaii with my family every other year for two to three weeks and spend a very large sum of money supporting dozens of local businesses. I am disturbed that timeshares are being singled out for an almost 400% tax increase. **My typical visit already generates in taxes two to three times what you hope to gain in new taxes...drive people like me away and I truly believe there will be a net loss in tax revenue.**

This large increase in the TAT would increase my maintenance fee payment by an additional \$400+ per year in one jump. By purchasing a timeshare and already spending a lot of money on annual maintenance and taxes, my family and I have made a large financial commitment to spend our vacations in Hawaii. I am truly supporting local Hawaiian economies on an annual basis and for this am being assessed a transient tax for staying in a unit that that I already own. No other owner of real property is subjected to pay an occupancy tax to occupy the real property they already own in Hawaii. No other state in the U.S. assesses such a tax on timeshare owners.

As a timeshare owner, I believe that we not only support our local communities, but also contribute to the sustainability of the visitor industry. I strongly oppose this tax and any increase to it and ask you to hold any bills which propose to increase any tax on timeshare owners. If these tax laws pass I would see a tipping point where it may no longer be cost effective to own a timeshare. Many timeshares (country-wide) are already being foreclosed upon and resold at low values by Ownership – just read a 10K of a Starwood or a Marriott and you can see for yourself that timeshares are no longer

profitable. The costlier you make ownership the greater the chance of foreclosure thus burdening the remaining loyal owners and escalating the crisis. Taxes have always been repressive and these new taxes will drive out owners that barely squeak by. **I visited Kauai, Maui and Oahu this past summer [three week trip with a lot of tax revenue generation] and all the locals that I spoke to speak of the huge reduction in tourism coupled with the increased cost of living.**

When I go to one of your local supermarkets and see the price of food more than double the cost of where I live, I accept it as a cost due to location and convenience. When I pay more in Hawaii for an outing (anything from horseback riding to zip lining which would cost half as much as in the Western U.S) – I also accept that as a cost of being in Hawaii and thousands of miles from the mainland. I spend thousands of dollars to support your economy and your residents when I travel to Hawaii – my maintenance already goes up well above the COLA – if you pass new taxes on timeshare owners you **MUST** remember that **WE** do have a choice of 49 other states as well as other countries with beautiful beaches to spend our money in without the 9 to 10 hour travel time. We can easily convert our timeshare ownership for use elsewhere.

Joseph Paldino

646-252-6330  
732-809-6749 (C)

February 25, 2011

To the People of Hawaii,

Let me start with telling you how much Maui means to me.

I draw peace to my soul every time I am blessed with a visit to that magical island.

However, I have become very concerned regarding the proposed Bills HB 809, HB 1163, HB 1092 and SB 1319.

I currently own a Timeshare unit at both Starwood and Marriott on Maui. As an owner I realize that my assessments will increase based on the needs of my properties and I accept these increases as part of my responsibility to keep Maui beautiful.

Please understand that the unfair increases that these Bills will force upon Timeshare owners will greatly impact our ability to continue our ownership of these wonderful properties and our visits to the island.

I fear that many owners (already financially challenged by today's economy) will simply walk away from their responsibilities and the facilities will fall into disrepair. This will make it impossible to attract new buyers and the local economy will suffer severely.

I urge you to vote against these Bills.

Sincerely,

Colin M Clark

Mark & Kathleen Sharpe  
26W301 Thorngate Ln  
Winfield, IL 60190

HB809

House Tourism Chairman  
Tom Brower

February 16, 2011

Dear Mr Brower,

We are extremely disappointed to learn of your proposed state TAT tax increase. Increasing this tax will have an adverse effect on Hawaii tourism. It is already difficult to travel to your state and now this increased expensive will drive even more tourists away.

We love Hawaii and have vacationed more in your state then any other destination. We have traveled to Hawaii 9 times in the last 20 years, staying 8 to 13 days on each visit. It takes a huge commitment to make the long and expensive journey to your state every other year from Chicago.

We enjoy Hawaii so much that we purchased 4 weeks of vacation ownership at Westin Princeville Resort in 2007. He have plans to buy 8 more weeks on other Hawaiian Islands in preparation for our retirement in 5-7 years.

Your proposed TAT increase will increase our tax from \$81 to \$310 per week. That is nearly a 300% increase. It is completely unacceptable!

Our current annual assessment is \$2239 per week which is already one of the highest assessments in the United States. I believe Maui has the highest.

**You are pricing us right out of your state for vacation and retirement!**

**An additional \$229 per week is just the last straw. It pushes the costs and hassles of traveling to Hawaii over the top.**

It will cost us an additional \$916 per year to use our 4 weeks of vacation ownership. If we plan to live in Hawaii for 12 weeks a year in retirement, it will be \$2,748 in additional taxes. That is on top of our annual assessment of \$2239 per week.

**If you increase this tax as planned, we will not purchase anymore vacation ownership weeks in Hawaii or vacation in Hawaii as frequently. And I am certain many other tourists will do exactly the same.**

Thus, your tax increase will have exact opposite effect you intend. You will see less tourism and lower occupancy rates which will yield lower total taxes collected.



Encourage Hawaii Tourism by making it easier to visit your state and you will see more tourists and more tax revenues from high occupancy rates. The ripple effects to your economy from higher occupancy rates will further boost your tax revenues.

Now is not the time to increase the cost of traveling to Hawaii. Increasing taxes will create an even worse downward economic spiral for your state.

Please reject this tax increase.

Regards,

Mark and Kathleen Sharpe

**HOUSE COMMITTEE ON  
FINANCE**

February 25, 2011

House Bill 809, PROPOSED HD 2  
Relating to the Transient Accommodations Tax

Chair Oshiro and members of the House Committee on Finance, I am Rick Tsujimura, representing Marriott Vacation Club International (Marriott).

Marriott OPPOSES Bill 809, Proposed HD 2 Relating to the Transient Accommodations Tax. This measure in brief increases the transient accommodations tax on resort time share units. Marriott believes that the underlying basis and definition of the value upon which the tax is based is flawed, and any increase is therefore flawed; and any increase in the tax will dampen and discourage investment in the visitor industry.

Marriott has consistently raised the issue regarding the valuation basis underlying the tax. In fact in recognition of the problems that the state has with the valuation, the preamble of this measure specifically states that the definition of "fair market rental value" is untouched. That belies the underlying flaw. From its inception, the tax upon time share owners has been based upon the mistaken notion that a timeshare owner is just like a hotel visitor. That assumption is false. A timeshare owner who purchases a timeshare unit pays all the taxes an owner pays, i.e., conveyance taxes, when they purchase their unit. A hotel guest never purchases a real estate interest and never pays a conveyance tax when they use a hotel room. This small difference is fundamental to the distinction. Timeshare owners own real estate, and are not transient visitors. For that period of time they own they are an owner. Hotel guests never own their units. Thus the theory that both are identical is flawed. In fact, although the state has always attempted to define this tax as an occupancy tax, it is in fact a tax on ownership, not occupancy, because the use of an owner of the time period they own is a tax on ownership, not occupancy. If we were to accept the state's flawed definition we all should pay an occupancy tax when we "occupy" our homes. More importantly, we have as a state singularly separated timeshare owners from other vacation condominium and single family dwellings. There are numerous vacation homes along our shores which are used by families on an occasional basis and not habitated. Shouldn't these units be placed in the identical category? And taxed accordingly? Surely these individuals should face the same sacrifice timeshare owners are being asked to shoulder.

Moreover, the increase in the tax will have a practical and major fiscal impact on the industry and upon Marriott itself. As you may have heard Marriott is separating its timeshare operations from its hotel operations due to declining performance in the timeshare industry. Marriott has 6 projects in the pipeline, one of which is scheduled to be completed this summer. Our ability to continue with expansion of projects at Ko Olina and Kauai are directly and fundamentally tied to your actions on this bill. To the extent that our financing assumptions are now made more difficult projects may be

shelved until the economy improves and visitor demand increases. Such a delay will affect the construction industry and the jobs and expenditures these projects would have brought especially to the engineers, planners, landscapers, and other consultants which precede the actual construction. This measure will send the wrong message to the industry in a time when the state needs new construction jobs.

In the end, you all must make a difficult decision. Marriott appreciates the dilemma you face, and appreciates your consideration of our views.

## FINTestimony

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n: mailinglist@capitol.hawaii.gov  
Sent: Friday, February 25, 2011 8:04 AM  
To: FINTestimony  
Cc: craigm@gedaz.com  
Subject: Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Craig McFarland  
Organization: Individual  
Address:  
Phone:  
E-mail: [craigm@gedaz.com](mailto:craigm@gedaz.com)  
Submitted on: 2/25/2011

### Comments:

HB 809 HD1 does not provide for a specific percentage increase in the TAT rate, but instead leaves that part blank. HB 809 HD2 calls for a two percent (2%) increase in the TAT rate, raising it from 7.25% to 9.25% (effectively a 27.6% increase). This represents an increase of \$10 for every \$1,000 of maintenance fee. These are big concerns for us who like to visit Hawaii and plan to come visit annually. It is obvious that the State of Hawaii (at least legislature) does not care about it's loyal visitors!

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 8:29 AM  
**To:** FINTestimony  
**Cc:** kwelck@timeshareresaleshawaii.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Karen Welck  
Organization: Individual  
Address:  
Phone:  
E-mail: [kwelck@timeshareresaleshawaii.com](mailto:kwelck@timeshareresaleshawaii.com) Submitted on: 2/25/2011

Comments:  
Chair Oshiro and Members of the Committee:

I've been in the Timeshare business for 7 years and in the Timeshare Resale business since August 2009 with Bay Realty Inc., DBA Timeshare Resales Hawaii in Lahaina, Maui. The single most important reason Hawaii timeshare owners resell their timeshare plans is because the taxes on maintenance fees increased significantly. The single most important reason prospective buyers on the resale market don't buy timeshare resales (at 30% to 80% below developer prices) is because the taxes and maintenance fees are too high.

I strongly oppose any increase in the TAT on timeshare owners maintenance fees, because our experience has confirmed that this increase in taxes will result in more timeshare owners wanting to give up their Hawaii timeshares back to the developer. Many owners lose their property before we can resell them. This would have a major impact on the timeshare industry in the Hawaiian Islands. When people don't want to purchase because they can rent their vacation cheaper than the maintenance fees/taxes, our jobs and ability to care for our families are at risk.

Timeshare Resales Hawaii has sold over 10,000 timeshare transactions since 1987 representing sellers with timeshare plans in over 65 timeshare properties in Hawaii. We have seen the market prices deteriorate in the last 4 years, because the taxes and maintenance fees are too high. Don't hurt this vital market that helps the State with 13% of the State's lodging with over 10,000 timeshare units in the Islands. Hawaii timeshare resorts has maintained an occupancy rate of 91% and they support local businesses and the local economy.

Most of Hawaii timeshare owners have made a long-term commitment to Hawaii by purchasing and owning real property in Hawaii. These owners and their guest are dependable, consistent and stable visitors who bring substantial spending dollars to Hawaii and continue to come even during economic downturns.

I believe this legislation is detrimental to all timeshare owners as well as the Hawaii tourism industry, which will only exacerbate the existing disincentive to invest in and visit Hawaii.

I respectfully ask you to hold this measure.

Thank you for allowing me to present testimony on this important matter.

Mark & Kathleen Sharpe  
26W301 Thorngate Ln  
Winfield, IL 60190

House Tourism Chairman  
Tom Brower

HB 809

February 16, 2011

Dear Mr Brower,

We are extremely disappointed to learn of your proposed state TAT tax increase. Increasing this tax will have an adverse effect on Hawaii tourism. It is already difficult to travel to your state and now this increased expensive will drive even more tourists away.

We love Hawaii and have vacationed more in your state then any other destination. We have traveled to Hawaii 9 times in the last 20 years, staying 8 to 13 days on each visit. It takes a huge commitment to make the long and expensive journey to your state every other year from Chicago.

We enjoy Hawaii so much that we purchased 4 weeks of vacation ownership at Westin Princeville Resort in 2007. He have plans to buy 8 more weeks on other Hawaiian Islands in preparation for our retirement in 5-7 years.

Your proposed TAT increase will increase our tax from \$81 to \$310 per week. That is nearly a 300% increase. It is completely unacceptable!

Our current annual assessment is \$2239 per week which is already one of the highest assessments in the United States. I believe Maui has the highest.

**You are pricing us right out of your state for vacation and retirement!**

**An additional \$229 per week is just the last straw. It pushes the costs and hassles of traveling to Hawaii over the top.**

It will cost us an additional \$916 per year to use our 4 weeks of vacation ownership. If we plan to live in Hawaii for 12 weeks a year in retirement, it will be \$2,748 in additional taxes. That is on top of our annual assessment of \$2239 per week.

**If you increase this tax as planned, we will not purchase anymore vacation ownership weeks in Hawaii or vacation in Hawaii as frequently. And I am certain many other tourists will do exactly the same.**

Thus, your tax increase will have exact opposite effect you intend. You will see less tourism and lower occupancy rates which will yield lower total taxes collected.

Encourage Hawaii Tourism by making it easier to visit your state and you will see more tourists and more tax revenues from high occupancy rates. The ripple effects to your economy from higher occupancy rates will further boost your tax revenues.

Now is not the time to increase the cost of traveling to Hawaii. Increasing taxes will create an even worse downward economic spiral for your state.

Please reject this tax increase.

Regards,

Mark and Kathleen Sharpe

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 8:51 AM  
**To:** FINTestimony  
**Cc:** bmartinez@surewest.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Ben Martinez  
Organization: Individual  
Address:  
Phone:  
E-mail: [bmartinez@surewest.net](mailto:bmartinez@surewest.net)  
Submitted on: 2/25/2011

**Comments:**

Aloha,

My name is Ben Martinez and I am asking for you to oppose HB 809, and HB1092 being heard today which would significantly increase the transient accommodations tax (TAT) for timeshare owners in Hawaii; my wife and I are owners. Supposedly, these bills propose to bring the taxation of timeshare units in line with all other transient accommodation rentals. The problem is that, my timeshare when rented out is already assessed the full 9.25% TAT rate. However, when I occupy the unit--for which I already pay real property taxes, GET and other management and maintenance fees--I am still assessed an occupancy tax. This happens only in Hawaii and nowhere else. Now the legislature and Governor are proposing to significantly increase this tax. Please help!

I am requesting that before you vote on this issue you take these facts into consideration:

FACT: Hawaii timeshare owners already pay higher maintenance fees and taxes than for timeshares on the mainland.

FACT: Hawaii timeshare owners are loyal, stable and dependable visitors.

FACT: Hawaii timeshare owners contribute significantly to the communities in which they stay and in turn to the State's economy.

FACT: Hawaii timeshare owners are already required to pay to stay in their real property which they already paid for.

FACT: Hawaii timeshare owners unlike most hotel guests keep on returning year after year even when times are bad.

Please vote NO on these bills to help us return to support Hawaii's economy.

Thank you for considering our request.



Ben and Julie Martinez,

Rocklin California Owners

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 9:04 AM  
**To:** FINTestimony  
**Cc:** wam91362@yahoo.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: comments only  
Testifier will be present: No  
Submitted by: William Martinet  
Organization: Individual  
Address:  
Phone:  
E-mail: [wam91362@yahoo.com](mailto:wam91362@yahoo.com)  
Submitted on: 2/25/2011

### Comments:

I am a timeshare owner in Maui at the Westin Ka'anapali Ocean Resort Villas North , and I strongly object to HBs 809, 1163, 1092 and SB 1319, all of which significantly increase my TAT taxes. I have been coming to Hawaii for the past 16 years and consider Hawaii my second home. I am a loyal and caring visitor to these islands and strongly feel part of this community. To be faced with an almost 400% in one fell swoop is both disturbing and alarming. I'm retired with a fixed income and can't afford that type of increase.

As a returning visitor, who has contributed a lot to the local economy over the years, I question the purpose and intent of this tax and its increase. I could have chosen to purchase my timeshare elsewhere but chose Hawaii because I love the sense of aloha, the beautiful scenery, and people, and now I feel am being singled out with this significant tax increase. Nowhere else in the United States would I be facing this situation, since nowhere else is such a tax imposed for occupying a unit I already paid for and own. Although reluctant, perhaps it is time to consider going elsewhere for my vacations. Please reconsider your tax increase as it is very unfair to us who are on fixed income.

I ask you not to support these bills.

Sincerely  
William Martinet

LOF Inc. dba  
**All Islands**  
**Timeshare Resales**

305 Royal Hawaiian Avenue, Suite 302, Honolulu, HI 96815  
Telephone (808) 924-1033, (800) 860-4177 FAX (808) 924-0623

**Sergeant at Arms**  
**House of Representatives**  
**Fax : 586-6001**

**Testimony for**  
**House Committee on Finance**  
**Representative Marcus R. Oshiro, Chair**  
**Representative Marilyn B. Lee, Vice Chair**

**Friday, February 25, 2011**  
**5:00 p.m. Conference Room 308**  
**State Capitol**  
**415 South Beretania Street**

**HB 809, HD 2 Relating to Transient Accommodations Tax**

**Testimony in OPPOSITION of HB 809 HD 2**

Dear Chair Oshiro and Committee Members,

My Name is Douglas Lupton, a citizen of the State of Hawaii, a Hawaii timeshare owner and Founder/CEO of All Islands Timeshare Resales, in business since 1992. The existence of my business proves that there is a demand for timeshare ownership in Hawaii. I act as a broker representing sellers of Hawaii timeshare. Those sellers are individuals, Timeshare Owners Associations, Lending Institutions, and Timeshare Developers.

As a real estate broker, I am constantly amazed by the assault on the timeshare segment of our tourist economy. My testimony is in defense of owners of Hawaii timeshare projects.

Recent tax changes in Hawaii, threaten to undermine the viability of many Hawaii timeshare resorts. Many of the timeshare owners I now sell for look at increased taxes as a personal assault on themselves as tourists and Hawaii real estate owners. They feel that the rules of real estate ownership are different for non-residents than for residents.

Timeshare is the strongest segment of tourism in Hawaii in that timeshare owners purchase their vacation homes to use annually. Timeshare is second home ownership. The individuals who desire this style of vacationing go where it is available. Make it unaffordable or unavailable and those tourists simply go where they get what they want at other vacation destinations. As second home ownership, the primary difference between whole ownership of a resort condominium and a timeshare interval is the fractional ownership in a timeshare. Most Hawaii timeshare owners have a deeded interest in the condominium project and individually pay property taxes as homeowners. They ask how they, a property owner, can be taxed to occupy the real estate they own. It is questionably an unconstitutional tax and levied only in Hawaii.

Most of you should remember the recent situation at the Ilikai Hotel, a mixed use project including hotel and wholly owned condominiums. As a result of the default and foreclosure of the hotelier, the whole unit condominium owners in the same building were in danger of having to pick up the tab for the hotel operations. Many of those homeowners would have been forced out of their homes by increased maintenance fees and homeowners dues if a new hotel operator wasn't found quickly.

Hawaii has many mixed use timeshare projects in older condominium projects throughout the state. Mixed use meaning that some of the condominiums in a project are owner-occupied by Hawaii residents and some condominium units are in timeshare projects. In these timeshare projects many of the owners are now elderly, having purchased their timeshare interest in the 1970's and 1980's. As the annual costs of use are being driven up, many of these older owners are unable to pay the annual dues and taxes. Maui's property taxes plus state occupancy taxes are pushing annual costs above the rental cost of similar units. The cumulative increases in property taxes, use taxes and inflationary increases in Owners Association dues has devalued timeshare interests in all projects in the past 42 months. Further increases in taxes will simply make the timeshare interest unsellable. The danger is that increased taxes will drive a timeshare owners association into insolvency and subsequently endanger the solvency of the entire condominium association.

This is not fiction. In recent months I have been contacted as a Timeshare Resale Agent by a number of Hawaii timeshare management companies to help sell timeshare interests in timeshare projects they manage. Normal delinquencies in these timeshare projects number in the range of 25 to 50 intervals per year. In the past few years many projects are experiencing delinquencies in the 15% to 20% range. This year some associations are experiencing delinquencies expected to reach 300 to 400 intervals by years end. Without a strong secondary market this could be catastrophic for the timeshare associations. The remaining owners would have to pick up the tab for the delinquent owners. This will raise annual costs of use and drive more owners into delinquency. As annual costs of ownership skyrocket the demand for timeshare decreases. In some instances the prices of timeshare have dropped to the cost of selling the interval, causing the owners to lose their entire equity. When the cost of ownership exceeds the cost of rental, timeshare will no longer have a viable resale market.

By definition, the market value of real estate, timeshare intervals included, is the price arrived at in a transaction between willing buyers and sellers with no undue influence on either party. That is the Resale Price. I make that secondary market in Hawaii.

Currently there are many Hawaii timeshare intervals offered on EBAY for \$1.00 with no upset prices and no bids. Potential buyers responding to our advertising state that the annual cost of ownership and use exceeds rental prices of similar units in comparable condominiums. Taxation is the gorilla being pointed at most often by both buyers and sellers.

Thank You



Douglas Lupton RRP BIC

CEO & President

All Islands Timeshare Resales

## FINTestimony

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From: Jerry & Gai Stewart [jwstew@frontier.com]  
Sent: Friday, February 25, 2011 9:39 AM  
To: FINTestimony  
Subject: Fwd: taxation without representation

Aloha yet another time.

Hopefully this time this letter gets to the right department. I first sent this to the Governor and now it needs to appear before the hearing on HB809. I am sending this from the entire Board of Directors for Lawai Beach Resort on Kauai.

Mahalo again for your consideration.

----- Forwarded Message -----

From: "Jerry & Gai Stewart" <jwstew@frontier.com>  
To: "Gov contact" <Gov.contact@hawaii.gov>  
Cc: "brian schatz" <brian.schatz@hawaii.gov>, "Jerry wife: Gai Stewart" <jwstew@frontier.com>, bbhipke@cox.net, mharrow@earthlink.net, "c buck" <c.buck@att.net>, patdmccarthy@aol.com, thom@westernbio.com, Cdecol315@aol.com, blohowiaks@msn.com, mbsfarms@ocsnet.net, petestax@alaska.net, "n hookano" <n.hookano@lawaiibeach.org>, "d souza" <d.souza@lawaiibeach.org>, jwstew@verizon.net  
Sent: Thursday, February 17, 2011 6:24:58 PM  
Subject: taxation without representation

Aloha Governor Abercrombie,

My name is Jerry Stewart. I am the President of the Association of Apartment Owners of Lawai Beach Resort and the Lawai Beach Resort Time Share Owner's Association on the island of Kauai. Lawai Beach Resort has a total of 172 units of sold out timeshare consisting of 8,500 plus owners. Our current occupancy rate month to date is 93.5%. Of that percentage we have an owner base on site of 50%.

I am writing this letter in total opposition to HBs 809,1163,1092 and SB 1319. Time Share has become a very big player in the tourism industry. Our owners and guests bring millions of dollars to the state of Hawaii each year. If these bills pass, Hawaii will lose that revenue as the owners will choose to go elsewhere or sell their units and NEVER RETURN.

Several years ago on the agricultural form that all visitors are required to fill out prior to landing, timeshare was not listed in the question, "where are you staying during your visit?". Timeshare is now third on that list. Timeshare is still growing but with this kind of thinking in the legislation, our elected officials will soon destroy that growth along with the millions of dollars that Hawaii would generate through timeshare ownership.

Mahalo for your time and consideration.

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2/25/2011

Dear Members of the Hawaii House of Representatives:

The House Finance Committee is holding hearings today (Feb 25) on HB809 and HB1092. HBs 809 and 1092 propose to raise the Transit Accommodations Tax (TAT) for timeshare owners. As the owner of a timeshare located at the Maui Westin Kaanapali Villas Resort North I am strongly opposing these bills!

As a timeshare owner I have made a long term commitment to Hawaii by purchasing and owning real property in Hawaii. Within the last 2 years the cost of using my timeshare and visiting Hawaii have become very costly. Raising the tax even more will surely send people away from the islands as they will not be able to afford the vacation. With raising costs for rental cars, gas, food etc. more timeshares will go up for sale and building will stop which will put an economic down fall on jobs, tourism and tax revenue.

I understand that our maintenance fees and taxes are already one of the highest in the nation! As a timeshare owner I pay maintenance fees that include real property taxes, general excise taxes and maintenance and management fees. No other owner of real property in Hawaii is required to pay an occupancy tax to stay in real property they already own. I hope you understand the reasoning for my opposing this tax increase and Vote NO on HB809 and HB1092!!

Robert Thweatt

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 10:08 AM  
**To:** FINTestimony  
**Cc:** gbleth@pacbell.net  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: George and Diana Bleth  
Organization: Individual  
Address:  
Phone:  
E-mail: [gbleth@pacbell.net](mailto:gbleth@pacbell.net)  
Submitted on: 2/25/2011

**Comments:**

My wife and I are timeshare owners who are strongly opposed to HB809, HB1163, HB1092, SB1319, all of which significantly increase my TAT taxes. We have been coming to Hawaii for the past several years as have our adult children. My Son and Daughter are both timeshare owners who also object to the proposed increases. As a family totaling 19, we have held family reunions in Hawaii and have considered Hawaii no better place to celebrate. Indeed, my wife and I renewed our wedding vows in Maui on our 25th. anniversary. We were looking forward to celebrating our 50th. in 2012. However, given the proposed increases, we are being forced to reconsider our plans and look for alternative vacation spots. Please do not support these bills.

Sincerely,  
George and Diana Bleth

## FINTestimony

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 25, 2011 11:46 AM  
**To:** FINTestimony  
**Cc:** jodi.behn@gmail.com  
**Subject:** Testimony for HB809 on 2/25/2011 5:00:00 PM

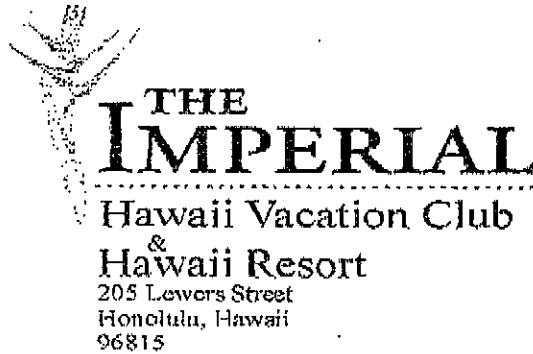
Testimony for FIN 2/25/2011 5:00:00 PM HB809

Conference room: 308  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Jodi Behn  
Organization: Individual  
Address:  
Phone:  
E-mail: [jodi.behn@gmail.com](mailto:jodi.behn@gmail.com)  
Submitted on: 2/25/2011

### Comments:

My name is Jodi Behn, and my husband and I are timeshare owners at the Westin Ka'anapali Ocean Resort and have been owners for five years. I strongly object to HB 809, HB 1163, HB 1092, and SB 1319 which will significantly increase my state transient accommodations tax. I have come to Hawaii many many times over the past 30 years, but purchased my timeshare so that we could make yearly trips to Maui. I consider Maui to be a very special second home for me and my husband. We love the islands. My husband and I met over 30 years ago in at a luau O Hawaii of San Fernando Valley function in Southern California... the aloha of Hawaii is why we purchased in Maui. To be faced with an almost 300% increase all at once is very very upsetting and financially burdensome. We have supported Hawaii through our visits for many years and only own one timeshare, the one in Maui, because we are in love with the island and its people, and also the whales we see each year that grace the beautiful shores. We may have to go elsewhere for our vacations if this tax is imposed. It is becoming financially a burden to come to Hawaii between the ever-increasing taxes that are being imposed. I really don't think this is something you see in other parts of America to be imposed a tax for owning a timeshare that is already paid and owned. My husband and I feel this increase singles us out and we implore you NOT to support these bills.  
With respect and aloha,





House Finance Committee Hearing  
Friday, February 25, 2011, 5:00 p.m.

Marcus Oshiro, Chair

Dear Chair Oshiro and Members of the Committee:

My name is Marilyn Verner and I am the General Manager of The Imperial Hawaii Resort, a timeshare property since 1978.

The Imperial Hawaii Resort and the Members of the Association are NOT IN SUPPORT of HB 809 relating to a 2% increase in the TAT for timeshare occupants. This bill increases the Transient Accommodations Tax for the timeshare owner who occupies a unit from 7.25% to 9.25% for the period July 1, 2011 to June 30, 2015.

Remember that timeshare owners and their guests keep returning to Hawaii and they bring substantial tax dollars to Hawaii. Timeshare owners already pay more than their fair share of taxes as they are real property owners and pay all associated taxes with that ownership.

Increasing the TAT rate reduces the possibilities that customers will want to purchase a timeshare week in Hawaii. There are many other choices in purchasing a timeshare in the world.

We respectfully ask that you hold this measure. Thank you for the opportunity to submit testimony.

Sincerely,

THE IMPERIAL HAWAII RESORT

Marilyn C. Verner  
General Manager