# HB 915 HD2, SD1

### DEPARTMENT OF BUDGET AND FISCAL SERVICES

## CITY AND COUNTY OF HONOLULU

REAL PROPERTY ASSESSMENT DIVISION 842 BETHEL STREET, 2<sup>ND</sup> FLOOR \* HONOLULU, HAWAII 96813 PHONE: (808) 768-7901 \* FAX (808) 768-7782 www.honolulu.gov

PETER B. CARLISLE MAYOR



March 30, 2011

MICHAEL R. HANSEN DIRECTOR

GARY T. KUROKAWA

Honorable David Ige, Chair Senator Michelle Kidani, Vice Chair Committee on Ways and Means State Senate Hawaii State Capitol, Room 215 415 South Beretania Street Honolulu, HI 96813

RE: Proposed HB915, HD2, SD1 - Relating to Conveyance Tax (Amended Testimony)

The City and County of Honolulu supports HB915, HD2, SD1 which requires the director of taxation to provide the real property assessment division of each county with an image of all certificates of conveyance filed with the Bureau of Conveyances.

The current method, whereby the city makes weekly pickups of the printed certificates from the Department of Taxation, is not efficient and would be greatly improved with electronic data transfers of the conveyance certificates filed with the Bureau of Conveyances. Additionally, the Department of Taxation would no longer need to provide printed copies of these certificates for the counties. Since the Department of Taxation has already implemented scanning of these documents, it would be extremely beneficial for the counties to receive digital copies of these conveyance records. These documents contain information that would enable the counties to promptly track recorded ownership, encumbrances, restrictions, uses, and sales prices of real property for the purpose of determining real property tax assessments.

We understand that the director of taxation may not always be able to comply with the ten day requirement. As a compromise, the City is willing to amend the ten day requirement to twenty-one business days. This would be comparable to the length of time within which we are currently receiving the certificates.

Your consideration and approval of this bill is greatly appreciated.

Sincerely,

Gary T. Kurokawa Administrator

Real Property Assessment Division



DANILO F. AGSALOG Director of Finance

JEREMIAH L. SAVAGE Deputy Director of Finance

SCOTT K. TERUYA Administrator

### COUNTY OF MAUI DEPARTMENT OF FINANCE REAL PROPERTY TAX DIVISION

GERY MADRIAGA Assistant Administrator

70 E. KAAHUMANU AVENUE, SUITE A-16, KAHULUI, MAUI, HAWAII 96732 Assessment: (808) 270-7297 | Billing and Collection: (808) 270-7697 | Fax: (808) 270-7884 www.maulpropertytax.com

March 29, 2011

Testimony of Scott K. Teruya, Real Property Tax Division Administrator, County of Maui on HB 915, HD2 Relating to Conveyance Tax

> To the Senate Committee on Ways and Means April 1, 2011, 9:00 a.m., Room 211

Honorable Chair David Y. Ige and Committee Members:

The County of Maui Real Property Tax Division and Honorable Mayor Alan M. Arakawa are testifying in support of HB 915, HD2, Relating to Conveyance Tax.

The proposed amendment would require the Director of Taxation (DOTAX) to provide each County's Real Property Assessment office with an image of all certificates of conveyance for their respective county filed with the Bureau of Conveyances within ten days after the end of each week and free of charge. Currently, Maui County relies on assistance from the City and County of Honolulu's assessment office and a third party vendor to retrieve Maui's documents from the DOTAX (in Oahu) and then mail the documents to our office.

By providing each County with their respective certificates electronically, this would assure Maui County a process of receiving its certificates without the need to travel to Oahu or rely on a third party vendor. Also, if an electronic file is provided, the DOTAX would no longer need to provide hard copies for the counties.

We urge you to pass this important amendment and give the Counties the means to promptly maintain their records in a timely manner for the public's best interest. Thank you for the opportunity to testify on this matter.

Sincerely,

Scott K Terriva

Real Property Tax Division Administrator



Nancy E. Crawford Finance Director

Deanna S. Sako Deputy Director

# County of Hawai'i

### **DEPARTMENT OF FINANCE - REAL PROPERTY TAX**

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March 30, 2011

The Honorable David Y. Ige, Chair Senator Michelle Kidani, Vice Chair Committee on Ways and Means State Senate Hawai'i State Capitol, Room 211 '415 South Beretania Street Honolulu, Hawai'i 96813

Re: Proposed HB915, HD2, SD1 – Relating to Conveyance Tax

Dear Mr. Ige, Ms. Kidani and Honorable Members of the Committee on Ways and Means:

The County of Hawai'i supports HB915, HD2, which requires the Director of Taxation to provide the real property assessment division of each county with an image of all certificates of conveyance filed with the Bureau of Conveyances.

The County of Hawai'i currently receives scanned copies of the certificates via a private source on a twice a month basis as it is impractical for an outer island to physically pick up these certificates on a regular basis in Honolulu. This source, while it has been reliable in the past, can become unavailable due to legal issues or other concerns and would have to be replaced by a more costly and cumbersome method of obtaining this data. Since the Department of Taxation has already implemented scanning of these documents, it would be extremely beneficial for the counties to receive digital copies of these conveyance records. These documents contain information that would enable the counties to promptly track recorded ownership, encumbrances, restrictions, uses, and sales prices of real property for the purpose of determining real property tax assessments.

Your consideration and approval of this bill is greatly appreciated.

∕Stanley A. Sitko

Real Property Tax Administrator