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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 20, 2012 8:29 AM
To: HAWtestimony
Cc: publicpolicy@oha.org
Subject: Testimony for HR89 on 3/21/2012 9:00:00 AM
Attachments: HR89.HCR117 Kuleana Tax Exemption 3.21.12 HAW.pdf

Testimony for HAW 3/21/2012 9:00:00 AM HR89

Conference room: 329
Testifier position: Support
Testifier will be present: Yes
Submitted by: Office of Hawaiian Affairs
Organization: Office of Hawaiian Affairs
E-mail: publicpolicy@oha.org
Submitted on: 3/20/2012

Comments:



HR 89 / HCR 117
House Committee on Hawaiian Affairs

March 21, 2012

9:00 a.m.

Room 329

The Office of Hawaiian Affairs (OHA) strongly **SUPPORTS** HR 89 and HCR 117. These resolutions would urge the counties to continue recognizing Kuleana lands as historical lands and to refrain from terminating or weakening the property-tax exemptions for Kuleana lands.

Pursuant to the Kuleana Act of 1850, several thousand native tenants, or maka'āinana, were granted title to the lands they had occupied and improved. In 2007, responding to growing concern over escalating property taxes affecting the remaining owners of their ancestral Kuleana, the City and County of Honolulu enacted a property tax exemption for Kuleana lands. The counties of Hawai'i, Kaua'i, and Maui soon followed.

However, in Honolulu, the December 2011 Real Property Tax Advisory Report proposed elimination of the Honolulu real property tax exemption for Kuleana lands. OHA is urging the Honolulu City Council to retain the Kuleana property tax exemption, thereby allowing Kuleana owners to preserve and maintain these culturally significant lands as they have continuously done for over 150 years. To date, the Honolulu exemption has not been terminated or weakened. Nevertheless, the issue remains under discussion and could arise in other counties as well.

Because there are only a few parcels that qualify, the Kuleana exemptions do not significantly impact county tax revenues. For example, in Fiscal Year 2011-2012, the exemption represented only .0005 of Honolulu's total exemption amounts. Therefore, there is very little benefit to be gained from eliminating the exemption. Such an elimination, however, could have devastating effects on the ability of Kuleana owners to retain their lands.

We urge your committee to go on record in support of the Kuleana tax exemptions by **PASSING** HR 89 and HCR 117. Mahalo for the opportunity to testify.