
A BILL FOR AN ACT

RELATING TO REAL PROPERTY TAXATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 246-26, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Real property owned and occupied only as an
4 individual's or their principal home as of the date of
5 assessment by any individual or individuals, shall be exempt
6 only to the following extent from property taxes:

7 (1) Totally exempt where the value of the property is not
8 in excess of \$12,000;

9 (2) Where the value of the property is in excess of
10 \$12,000, the exemption shall be the amount of \$12,000.

11 Provided:

12 (A) That no such exemption shall be allowed to any
13 corporation, copartnership, or company;

14 (B) That the exemption shall not be allowed on more
15 than one home for any one taxpayer;

16 (C) That where the taxpayer has acquired the
17 taxpayer's home by a deed made on or after July



1 1, 1951, the deed shall have been recorded on or
2 before December 31 immediately preceding the year
3 for which the exemption is claimed;

4 (D) That a husband and wife shall not be permitted
5 exemption of separate homes owned by each of
6 them, unless they are living separate and apart,
7 in which case they shall be entitled to one
8 exemption, to be apportioned between each of
9 their respective homes in proportion to the value
10 thereof; [~~and~~]

11 (E) That a person living on premises, a portion of
12 which is used for commercial purposes, shall not
13 be entitled to an exemption with respect to such
14 portion, but shall be entitled to an exemption
15 with respect to the portion thereof used
16 exclusively as a home[-]; and

17 (F) That a taxpayer who does not occupy the real
18 property as a primary home due to a medical
19 condition, as certified by a physician licensed
20 under chapter 453, that renders the taxpayer
21 incapable of occupying the real property shall be



1 entitled to the exemption, unless the taxpayer
 2 leases or rents out the real property to
 3 another."




4 SECTION 2. Statutory material to be repealed is bracketed
 5 and stricken. New statutory material is underscored.

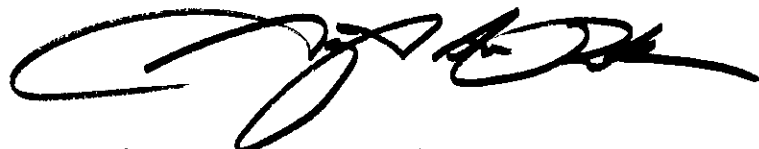
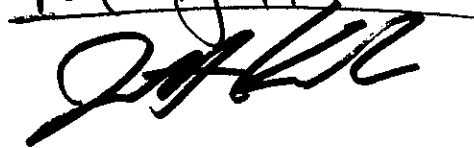
6 SECTION 3. This Act, upon its approval, shall apply to
 7 taxable years beginning after December 31, 2014.

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JAN 28 2015



Report Title:

Real Property; Tax Exemption

Description:

Clarifies that the real property tax exemption for property owned as a primary home covers persons who own, but cannot occupy in, the primary home due to a serious medical condition; provided that they do not rent or lease out that property.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

