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# 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 the real property to another."

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 Statutory material to be repealed is bracketed  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

5           SECTION 3. This Act shall take effect on July 1, 2030, and  
6 apply to taxable years beginning after December 31, 2014.



**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.  
(HB1293 HD1)

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