
A BILL FOR AN ACT

RELATING TO CONVEYANCE TAX.

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

1 SECTION 1. Section 247-2, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§247-2 Basis and rate of tax.** The tax imposed by section
4 247-1 shall be based on the actual and full consideration
5 (whether cash or otherwise, including any promise, act,
6 forbearance, property interest, value, gain, advantage, benefit,
7 or profit), paid or to be paid for all transfers or conveyance
8 of realty or any interest therein, that shall include any liens
9 or encumbrances thereon at the time of sale, lease, sublease,
10 assignment, transfer, or conveyance, and shall be at the
11 following rates:

12 (1) Except as provided in paragraph (2):

13 (A) [~~Ten~~] Five cents per \$100 for properties with a
14 value of less than \$600,000;

15 (B) [~~Twenty~~] Ten cents per \$100 for properties with a
16 value of at least \$600,000, but less than
17 \$1,000,000;



1 (C) Thirty cents per \$100 for properties with a value
2 of at least \$1,000,000, but less than \$2,000,000;

3 (D) [~~Fifty cents~~] One dollar per \$100 for properties
4 with a value of at least \$2,000,000, but less
5 than \$4,000,000;

6 (E) [~~Seventy~~] One dollar and forty cents per \$100 for
7 properties with a value of at least \$4,000,000,
8 but less than \$6,000,000;

9 (F) [~~Ninety~~] One dollar and eighty cents per \$100 for
10 properties with a value of at least \$6,000,000,
11 but less than \$10,000,000; and

12 (G) [~~One dollar~~] Two dollars per \$100 for properties
13 with a value of \$10,000,000 or greater; and

14 (2) For the sale of a condominium or single family
15 residence for which the purchaser is ineligible for a
16 county homeowner's exemption on property tax:

17 (A) [~~Fifteen~~] Ten cents per \$100 for properties with
18 a value of less than \$600,000;

19 (B) [~~Twenty-five~~] Twenty cents per \$100 for
20 properties with a value of at least \$600,000, but
21 less than \$1,000,000;



- 1 (C) Forty cents per \$100 for properties with a value
2 of at least \$1,000,000, but less than \$2,000,000;
- 3 (D) [~~Sixty~~] One dollar and twenty cents per \$100 for
4 properties with a value of at least \$2,000,000,
5 but less than \$4,000,000;
- 6 (E) [~~Eighty-five~~] One dollar and seventy cents per
7 \$100 for properties with a value of at least
8 \$4,000,000, but less than \$6,000,000;
- 9 (F) [~~One dollar and ten~~] Two dollars and twenty cents
10 per \$100 for properties with a value of at least
11 \$6,000,000, but less than \$10,000,000; and
- 12 (G) [~~One dollar and twenty-five~~] Two dollars and
13 fifty cents per \$100 for properties with a value
14 of \$10,000,000 or greater,
- 15 of [~~such~~] the actual and full consideration; provided that in
16 the case of a lease or sublease, this chapter shall apply only
17 to a lease or sublease whose full unexpired term is for a period
18 of five years or more, and in those cases, including (where
19 appropriate) those cases where the lease has been extended or
20 amended, the tax in this chapter shall be based on the cash
21 value of the lease rentals discounted to present day value and



1 capitalized at the rate of six per cent, plus the actual and
 2 full consideration paid or to be paid for any and all
 3 improvements, if any, that shall include on-site as well as off-
 4 site improvements, applicable to the leased premises; and
 5 provided further that the tax imposed for each transaction shall
 6 be not less than \$1."

7 SECTION 2. This Act does not affect rights and duties that
 8 matured, penalties that were incurred, and proceedings that were
 9 begun before its effective date.

10 SECTION 3. Statutory material to be repealed is bracketed
 11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect on July 1, 2017.

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INTRODUCED BY:

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H.B. NO. 445

Report Title:

Conveyance Tax Rates

Description:

Reduces the conveyance tax rates for properties with a value of less than \$1,000,000. Increases the conveyance tax rates for properties with a value of \$2,000,000 or greater.

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