
HOUSE CONCURRENT RESOLUTION

URGING THE GOVERNOR AND LEADERS OF THE CITY AND COUNTY OF
HONOLULU TO WORK WITH THE LEGISLATURE TO PROVIDE PROPERTY
TAX BREAKS FOR STATE RESIDENTS WHILE INCREASING TAXES FOR
OUT-OF-STATE AND FOREIGN INVESTORS.

1 WHEREAS, the House of Representatives of the Twenty-ninth
2 Legislature of the State of Hawaii recognizes that for many
3 local residents, homeownership is not a viable option; and
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5 WHEREAS, Hawaii's high cost of living, the regressive
6 nature of the general excise tax, and current income tax
7 structure all serve as impediments for local residents in their
8 endeavors to purchase a first home; and
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10 WHEREAS, because of these challenges to local residents,
11 many are unable to take advantage of Hawaii's homeowner-friendly
12 atmosphere, which includes having the nation's lowest property
13 taxes and a reliable appreciation in property values due to the
14 robust housing market; and
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16 WHEREAS, those reaping the benefits are often affluent
17 investors and the international "one percent" based outside of
18 the State who do not deal with the difficulties that local
19 residents are faced with and are instead focused on the desire
20 to make profits rather than to call Hawaii their home; and
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22 WHEREAS, inherent disadvantages for state residents
23 continue to contribute to Hawaii's "brain drain" problem as a
24 recent nationwide survey found that Honolulu had the fourth-
25 largest percentage of residents who depart to other locations;
26 and
27



H.C.R. NO. 185

1 WHEREAS, although the City and County of Honolulu's
 2 implementation of "Residential A" classification of lands helps
 3 to address these issues, it does not go far enough with
 4 assistance to local residents nor does it protect against future
 5 increases in property taxes; and

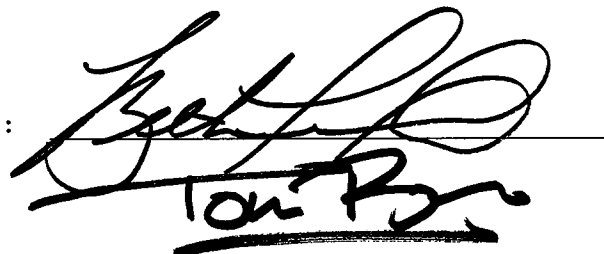
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 7 WHEREAS, the continuation of the status quo will only serve
 8 to enrich out-of-state investors at the expense of local
 9 residents and exacerbate the need for affordable housing for
 10 local families; and

11
 12 WHEREAS, in light of these problems, creative solutions
 13 should be pursued, such as granting a state refundable tax
 14 credit claimable by local residents, which could help locals
 15 regardless of changes in property tax rates; implementing
 16 graduated property tax rates based on a home's assessed value
 17 and ownership; or examining the interactions between the general
 18 excise, income, and property tax rates to consider whether they
 19 should be amended; now, therefore,

20
 21 BE IT RESOLVED by the House of Representatives of the
 22 Twenty-ninth Legislature of the State of Hawaii, Regular Session
 23 of 2017, the Senate concurring, that the Legislature strongly
 24 urges the Governor and the leaders of the City and County of
 25 Honolulu to collaborate with the Legislature to develop a plan
 26 that includes tax incentives and would level the playing field
 27 for local families who are forced to compete with out-of-state
 28 and foreign investors to own properties in Hawaii; and

29
 30 BE IT FURTHER RESOLVED that certified copies of this
 31 Concurrent Resolution be transmitted to the Governor, the Mayor
 32 of Honolulu, and each member of the Honolulu City Council.

OFFERED BY:



 Scott L. Williams



MAR 10 2017

