
A BILL FOR AN ACT

RELATING TO THE 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) [÷] or (3):

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

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



H.B. NO. 319

- 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 per \$100 for properties with a value
- 4 of at least \$2,000,000, but less than \$4,000,000;
- 5 (E) Seventy cents per \$100 for properties with a
- 6 value of at least \$4,000,000, but less than
- 7 \$6,000,000;
- 8 (F) Ninety cents per \$100 for properties with a value
- 9 of at least \$6,000,000, but less than
- 10 \$10,000,000; and
- 11 (G) One dollar per \$100 for properties with a value
- 12 of \$10,000,000 or greater; [~~and~~]
- 13 (2) For the sale of a condominium or single family
- 14 residence for which the purchaser is ineligible for a
- 15 county homeowner's exemption on property tax:
- 16 (A) Fifteen cents per \$100 for properties with a
- 17 value of less than \$600,000;
- 18 (B) Twenty-five cents per \$100 for properties with a
- 19 value of at least \$600,000, but less than
- 20 \$1,000,000;



H.B. NO. 319

- 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 cents per \$100 for properties with a value
- 4 of at least \$2,000,000, but less than \$4,000,000;
- 5 (E) Eighty-five cents per \$100 for properties with a
- 6 value of at least \$4,000,000, but less than
- 7 \$6,000,000;
- 8 (F) One dollar and ten cents per \$100 for properties
- 9 with a value of at least \$6,000,000, but less
- 10 than \$10,000,000; and
- 11 (G) One dollar and twenty-five cents per \$100 for
- 12 properties with a value of \$10,000,000 or
- 13 greater[~~7~~]; and
- 14 (3) For the sale of a condominium or single family
- 15 residence within five years of purchase and for which
- 16 the purchaser is a foreign entity and is ineligible
- 17 for a county homeowner's exemption on property tax:
- 18 (A) _____ per \$100 for properties with a value of
- 19 less than \$600,000;
- 20 (B) _____ per \$100 for properties with a value of
- 21 at least \$600,000, but less than \$1,000,000;



H.B. NO. 319

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

3 (D) per \$100 for properties with a value of
4 at least \$2,000,000, but less than \$4,000,000;

5 (E) per \$100 for properties with a value of
6 at least \$4,000,000, but less than \$6,000,000;

7 (F) per \$100 for properties with a value of
8 at least \$6,000,000, but less than \$10,000,000;

9 and

10 (G) per \$100 for properties with a value of
11 \$10,000,000 or greater,

12 of such actual and full consideration; provided that in the case
13 of a lease or sublease, this chapter shall apply only to a lease
14 or sublease whose full unexpired term is for a period of five
15 years or more, and in those cases, including (where appropriate)
16 those cases where the lease has been extended or amended, the
17 tax in this chapter shall be based on the cash value of the
18 lease rentals discounted to present day value and capitalized at
19 the rate of six per cent, plus the actual and full consideration
20 paid or to be paid for any and all improvements, if any, that
21 shall include on-site as well as off-site improvements,



H.B. NO. 319

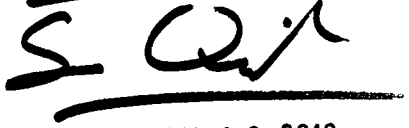
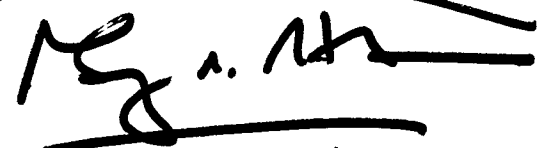
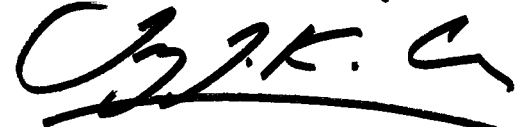
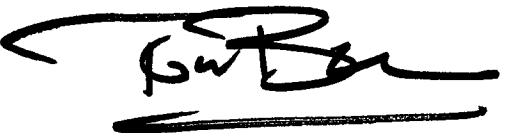
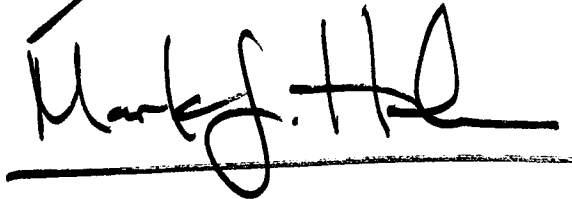
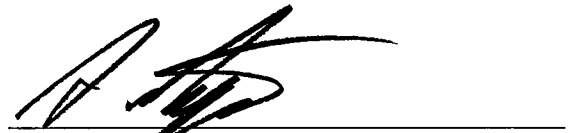
1 applicable to the leased premises; and provided further that the
2 tax imposed for each transaction shall be not less than \$1."

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, 2019.

6

INTRODUCED BY:



JAN 18 2019



H.B. NO. 319

Report Title:

Conveyance Tax

Description:

Amends the conveyance tax by adding a fee schedule for foreign entity-owned investment properties sold within five years.

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

