

ACT 12

An Act Relating to Partial Non-Exempt Use of Real Property Otherwise Exempted from Real Property Taxes, and Relating to the Effect of Such Use Upon Such Taxation.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 128-19 (a) Revised Laws of Hawaii 1955 is hereby amended to read as follows:

“(a) The use of any portion of the land (not including land under a building) or the use of any portion of a building (including the land thereunder) which might otherwise be exempted under section 128-18, for commercial or other purposes not within the conditions necessary for such exemption but related functionally and logically to the use upon which a claim for exemption under section 128-18 would be based (including any use, the primary purpose of which is to produce income, even though such income is to be used for or in furtherance of the exempt purposes), shall not deprive the remaining portion of land or of the building of such exemption, provided such remaining portion is used exclusively for purposes which fulfill the conditions of such exemption.”

SECTION 2. This Act shall take effect upon its approval but shall be retroactive to the first day of January, 1960.

(Approved May 10, 1960.) **S.B. 41.**
