

ACT 143

A Bill for an Act Relating to the Establishment of a Correlation Between the Value of Real Property for Tax Assessment Purposes and That in Eminent Domain and Condemnation Proceedings.

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

SECTION 1. **Purpose.** The purpose of this Act is to prescribe a fair and reasonable basis for determining the fair market value of real property by correlating the value of a given parcel of land when it is appraised for eminent domain and condemnation purposes, with the value of the same property when it is assessed for real property taxation purposes, thereby protecting the government and the public from the abuses of manipulative real property valuation practices detrimental to the public interest.

SECTION 2. Section 128-23, Revised Laws of Hawaii 1955, as amended, is further amended by adding the following sentence at the end of the penultimate paragraph of said section:

“Such opinion of value shall constitute a rebuttable presumption that the fair market value of such real property on the date of such return was not greater than the value stated in such return in any subsequent proceeding brought to condemn said property or any part thereof for public purposes.”

SECTION 3. Section 128-30, Revised Laws of Hawaii 1955, as amended, is further amended by adding at the end thereof a new sentence to read as follows:

“Where such an appeal is based upon the ground that the assessed value of the real property for tax purposes is excessive, the valuation claimed by the taxpayer in such appeal shall be admissible in evidence, in any subsequent condemnation action involving said property, as an admission that the fair market value of said real property as of the date of assessment is no more than the value arrived at when said assessed value from which the taxpayer appealed is adjusted to 100% fair market value; provided, however, that such evidence shall not in any way affect the right of the taxpayer to any severance damages to which he may be entitled.”

SECTION 4. There is hereby added to chapter 8, Revised Laws of Hawaii 1955, as amended, the following new section:

“**Section 8-10.1. Evidence.** In addition to rules of evidence otherwise provided by law, the provisions of sections 128-23 and 128-30 shall apply to all proceedings brought under the provisions of this part.”

SECTION 5. If any section, paragraph or part of this Act is declared invalid for any reason, such invalidity shall not affect the validity of the remaining sections and parts of this Act.

SECTION 6. This Act shall take effect on January 1, 1964.  
(Approved June 3, 1963.) **H.B. 25.**

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