

A Bill for an Act Relating to Real Property Tax Rates.

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

SECTION 1. Section 248-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read:

“(b) The board of supervisors or the city council of each county shall determine the tax rates for buildings and for all other real property, exclusive of buildings, for each category of property established in accordance with subsection 246-10(d); provided that the board or council shall determine a single tax rate to be applied to net taxable real property within category I. Such rates shall be determined for each tax year, by resolution adopted in the manner provided by law relating to resolutions involving the expenditure of public money; provided that after introduction of the resolution and before final action on the same, a public hearing shall be held thereon after publication of notice thereof in a newspaper of general circulation in the county in which the rates are to be fixed, which notice shall be published not less than ten days before the hearing and shall set forth the tax rates under consideration by the board or council; and provided further, that upon the final reading, subsequent to the public hearing of any resolution for the adoption of such rates, the board of supervisors or the city council may fix such rates at an amount differing from that originally proposed or under consideration when the notice of public hearing was published. The resolution fixing the tax rates in each county shall be adopted on or before October 26 of the tax year for which property tax revenues are to be raised.”

SECTION 2. Section 248-2, Hawaii Revised Statutes, is amended by amending subsection (c) to read:

“(c) The board of supervisors or the city council of each county shall determine the tax rates applicable in the county using the following method:

- (1) The net taxable real property of each category shall be divided by the net taxable real property for the county to determine the percentage of revenue to be raised from each category;
- (2) The percentage of revenue to be raised from each category shall be multiplied by the total revenue to be raised from real property in the county in order to determine the amount of revenue to be derived from each category;
- (3) The net taxable buildings within categories II, III and IV, respectively, shall be multiplied by the applicable building tax factor and the product thereof divided by the modified net taxable value of real property in that category which quotient shall be multiplied by the amount of revenue to be raised from that category in order to determine the amount of revenue to be raised from the tax on net taxable buildings which amount shall be divided by the net taxable value of buildings in that category to determine the tax rate which shall be expressed in terms of tax per \$1,000 of net taxable buildings computed to the nearest cent;
- (4) The net taxable lands within categories II, III and IV, respectively, shall be divided by the modified net taxable value of real property in that category which quotient shall be multiplied by the amount of revenue to be raised from that category in order to determine the amount of revenue to be raised from the tax on net taxable lands which amount shall be divided by the net taxable value of lands in that category to determine the tax rate which shall be expressed in terms of tax per \$1,000 of net taxable lands computed to the nearest cent;
- (5) The amount of revenue to be raised from net taxable real property within category I, shall be divided by the net taxable real property in category I to determine the tax rate which shall be expressed in terms of tax per \$1,000 of net taxable real property computed to the nearest cent."

SECTION 3. Section 248-2, Hawaii Revised Statutes, is amended by amending subsection (f) to read:

"(f) The director of taxation shall on or before October 5 of the tax year furnish each board and council with a calculation certified by him as being as nearly accurate as may be, of the net taxable real property within the county, separately stated for each category established in accordance with subsection 246-10(d) for net taxable lands and for net taxable buildings plus such additional data relating to the property tax base as may be necessary."

SECTION 4. Statutory material to be repealed is bracketed. New material is underscored. In printing this Act, the revisor of statutes need not include the brackets, the bracketed material or the underscoring.*

*Edited accordingly.

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SECTION 5. This Act, upon its approval, shall take effect on July 1, 1975.

(Approved May 6, 1975.)