

**MINUTES**

**FINANCE/ECONOMIC DEVELOPMENT COMMITTEE**

**November 28, 2007**

A meeting of the Finance/Economic Development Committee of the Council of the County of Kaua'i, State of Hawai'i, was called to order by Councilmember Jay Furfaro, Chair, at the Historic County Building, Room 201, Lihu'e, Kaua'i, on Wednesday, November 28, 2007, at 9:05 a.m., after which the following members answered the call of the roll:

Honorable Jay Furfaro  
Honorable Tim Bynum  
Honorable Shaylene Iseri-Carvalho  
Honorable Ron Kouchi  
Honorable Mel Rapozo  
Honorable Bill "Kaipo" Asing, Ex-Officio Member  
Honorable JoAnn A. Yukimura, Ex-Officio Member

The Committee proceeded on its agenda item as shown in the following Committee Report which is incorporated herein by reference.

**CR-F/ED 2007-10:** on Bill No. 2244 A BILL FOR AN ORDINANCE AMENDING CHAPTER 5A, KAUA'I COUNTY CODE 1987, AS AMENDED, RELATING TO A REAL PROPERTY TAX CREDIT FOR HOMES OF VETERANS WITH WARTIME SERVICE  
**[Approved as amended.]**

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Lisa Ishibashi  
Council Services Assistant

APPROVED at the Committee Meeting held on January 23, 2008:



JAY FURFARO  
Chair, Finance/Economic Development Committee

(November 28, 2007)

**FLOOR AMENDMENT**

**BILL NO. 2244, RELATING TO REAL PROPERTY TAX CREDIT FOR  
HOMES OF VETERANS WITH WARTIME SERVICE**

**INTRODUCED BY: Councilmember Mel Rapozo**

Amend Bill No. 2244 in its entirety and form as follows:

“SECTION 1. Chapter 5A, Kaua‘i County Code, 1987, is amended by adding a new section to be appropriately designated and to read as follows:

Section 5A-11.28 Homes of Veterans deployed in a Department of Defense designated combat zone with at least ninety (90) days of wartime service [or Veterans that have served less than ninety (90) days who are totally disabled (as defined in Section 235-1, Hawai‘i Revised Statutes)] are qualified to receive a real property tax credit. Real property currently owned and occupied as a home per Section 5A-11.4 by such veteran who served at least ninety (90) days of wartime service in a combat zone designated by the Department of Defense in the United States Armed Forces, or currently owned and occupied by any such veteran’s spouse, [together with his or her spouse and occupied by either or both spouses] as a home, or currently owned and occupied by an unmarried widow or widower of such veteran, [who shall remain unmarried and] who shall continue to own and occupy the premises as a home, is hereby granted a real property tax credit of a maximum of \$1,500.00 per annum, other than the special assessment, provided:

- (1) That such veteran or his/her spouse [provides] shall provide the Director of Finance or any of his/her representatives proof of total disability or wartime service in an officially designated combat zone issued by the Office of the Department of Defense or any of its agencies. Supporting documents include, but not limited to, a letter of total disability from the Veterans Administration, DD-214, Orders, Leave and Earning Statement reflecting combat pay, letter from unit commander attesting to combat duty and dates, [combat awards and decorations,] or other official documentation specifying dates of combat duty. A “Combat Zone” is any area the President of the United States designates by Executive Order as an area in which the U.S. Armed Forces are engaging or have engaged in combat. An area usually becomes a combat zone and ceases to be a combat zone on the dates the President designates by Executive Order.
- (2) That the real property tax credit of \$1,500.00 shall not be granted on more than one [house] property for any one person.

[(3) That the wartime veteran or his/her bereaved spouse living on the premises, a portion of which is used for commercial purposes, shall not be entitled to this real property tax credit with respect to such portion, but shall be entitled this real property tax credit with respect to the portion used exclusively as a home; provided, that this exemption shall not apply to any structure, including the land thereunder, which is used for commercial purposes.

For purposes of this section, the word "home" includes the entire homestead when it is occupied by a qualified wartime veteran as a home; houses where the wartime veteran owner sublets not more than one room to a tenant; and premises held under an agreement that has been duly entered into and recorded prior to January 1 preceding the tax year for which real property tax credit is claimed, whereby the purchaser agrees to pay all taxes while purchasing the premises.]

SECTION 2. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or application, and to this end the provisions of this Ordinance are severable.

SECTION 3. New Ordinance material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Kaua'i County Code 1987, the underscoring should not be included.

SECTION 4. This ordinance shall take effect upon its approval."

(New material to be added is underscored. Material to be deleted is bracketed.)

or her surviving spouse, and where the apartment unit reverts back to the lessor upon the death of the lessee and his or her surviving spouse, and where the lease has been duly entered into and recorded prior to January 1 preceding the tax year for which the exemption is claimed, and whereby the lessee agrees to pay all taxes during the term of the lease.

The subletting by the taxpayer of not more than one room to a tenant shall not affect the exemption provided for by Sec. 5A-11.4.

As used in Sec. 5A-11.4, in the first paragraph of Sec. 5A-7.1, and in Sec. 5A-11.1, the word "lease" shall be deemed to include a sublease, and the word "lessee" shall be deemed to include a sublessee. (Ord. No. 394, July 1, 1981)

**Sec. 5A-11.6 Homes Of Totally Disabled Veterans.**

Real property owned and occupied as a home by any person who is totally disabled due to injuries received while on duty with the armed forces of the United States, or owned by any such person together with his or her spouse and occupied by either or both spouses as a home, or owned and occupied by a widow or widower of such totally disabled veteran who shall remain unmarried and who shall continue to own and occupy the premises as a home, is hereby exempted from all property taxes, other than special assessment, provided:

(1) That such total disability was incurred while on duty as a member of the armed forces of the United States, and that the director may require proof of total disability.

(2) That the home exemption shall be granted only as long as the veteran claiming exemption remains totally disabled.

(3) That the exemption shall not be allowed on more than one house for any one person.

(4) That a person living on the premises, a portion of which is used for commercial purposes, shall not be entitled to an exemption with respect to such portion, but shall be entitled to an exemption with respect to the portion used exclusively as a home; provided, that this exemption shall not apply to any structure, including the land thereunder, which is used for commercial purposes.

For the purposes of this section, the word "home" includes the entire homestead when it is occupied by a qualified totally disabled veteran as a home; houses where the disabled veteran owner sublets not more than one room to a tenant; and premises held under an agreement to purchase the same for a home where the agreement has been duly entered into and recorded prior to January 1 preceding the tax year for which exemption is claimed, whereby the

purchaser agrees to pay all taxes while purchasing the premises. (Ord. No. 394, July 1, 1981)