

# **State of Hawaii Property Tax Assessments Statutes**

## **Basis for Property Tax Assessments – Market Value**

Real property is assessed under county ordinances at 100% of its fair market value (Sec. 8-6.1, Honolulu R.O.; Sec. 19-46, Hawaii County Code; Sec. 3.48.180, Maui County Code; Sec. 5A-6.1, Kauai County Code). In fixing the fair market value of property, each county requires that the fair market value be determined and annually assessed by the market data and cost approaches to value using appropriate systematic methods suitable for mass valuation of properties for taxation purposes in order to obtain uniform and equalized assessment (Sec. 8-7.1, Honolulu R.O.; Sec. 19.46, Hawaii County Code; Sec. 3.48.180, Maui County Code; Sec. 5A-6.1, Kauai County Code.) There are no provisions to define market data approach, cost approach, or systematic methods.

## **Real Property Defined**

For Hawaii County and Honolulu County property tax purposes, Property or real property means and includes all land and appurtenances thereof and the buildings, structures, fences, and improvements erected on or affixed to the same, and any fixture which is erected on or affixed to such land, buildings, structures, fences, and improvements, including all machinery and other mechanical or other allied equipment and the foundations thereof, whose use thereof is necessary to the utility of such land, buildings, structures, fences, and improvements, or whose removal therefrom cannot be accomplished without substantial damage to such land, buildings, structures, fences, and improvements, excluding, however, any growing crops. (Sec. 19-2, Hawaii County Code; Sec. 8-1.1, Honolulu R.O.). Kauai County has the same definition except that, at the end of the definition it adds the following: “The temporal division of any interest in real property shall not, in and of itself, affect its status as real property.” (Sec. 5A-1.1, Kauai County Code). Maui County adds the italicized words to a portion of the Hawaii County/Honolulu County version, as follows: “... whose use thereof increases the value to, or is necessary to...” Further, Maui includes within the definition the following: “Any and all wind energy conversion property that is used to convert wind energy to a form of usable energy, including, but not limited to, a wind charger, windmill, wind turbine, tower and electrical equipment, pad mount transformers, power lines, and substation, and other such components.” (Sec. 3.48.005, Maui County Code) Fixtures (Maui):



Maui County Ordinance No. 4013, effective for assessment years beginning on or after January 1, 2014, amends the definition of property to clarify that the term includes (1) fixtures whose use increases the value to or is necessary to the utility of the land, buildings, structures, fences, and improvements; (2) fixtures whose removal cannot be accomplished without substantial damage to such land, buildings, structures, fences, and improvements, excluding any growing crops; or (3) any and all wind energy conversion property that is used to convert wind energy to a form of usable energy.

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**Personal Property Defined**

Not taxed.

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**Intangible Property Taxes**

Not taxed.