

The exemption form, BFS-RP-P-5D, for Alternate Energy Improvements is currently being updated and will be available soon.

The City Council of Honolulu passed Ordinance 15-23 (attachment below) which amended the Revised Ordinances of Honolulu, Section 8-10.15 - Exemption - Alternate energy improvements, to exclude solar devices from the definition of “property” or “real property” and are not assessed.

Because solar devices such as solar panels for water heaters and photovoltaic systems are not assessed, no exemption claim is necessary.



A BILL FOR AN ORDINANCE

RELATING TO VALUATION OF SOLAR ENERGY AND SOLAR WATER HEATING IMPROVEMENTS FOR REAL PROPERTY TAX PURPOSES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to specify that the value of solar powered energy improvements and solar powered water heating improvements are not assessed for real property taxation purposes.

SECTION 2. Section 8-1.2, Revised Ordinances of Honolulu 1990, as amended, is amended by amending the definition of "Property" or "real property" to read as follows:

""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 and any device that converts solar radiation to electricity or heat."

SECTION 3. Section 8-10.15, Revised Ordinances of Honolulu 1990 ("Exemption—Alternate energy improvements"), as amended, is amended by amending subsections (b) and (c) to read as follows:

"(b) As used in this section "alternate energy improvement" means any construction or addition, alteration, modification, improvement or repair work undertaken upon or made to any building, property or land which results in:

- (1) The production of energy from a source, or uses a process which does not use fossil fuels, nuclear fuels or geothermal source. Such energy source may include, but shall not be limited to, solid wastes, wind[, solar] or ocean waves, tides or currents; or
- (2) An increased level of efficiency in the utilization of energy produced by fossil fuels or in the utilization of secondary forms of energy dependent upon fossil fuels for its generation.



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A BILL FOR AN ORDINANCE

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- (c) Application for the exemption provided by this section shall be made with the director on or before September 30th, preceding the tax year for which the exemption is claimed[, except that no claim need be filed for the exemption of [solar water collectors, heaters, heat pumps and similar devices]. No exemption may be claimed for devices that convert solar radiation to electricity or heat because these devices are excluded from the definition of "property" or "real property" and are not assessed. The director may require the taxpayer to furnish reasonable information in order that the director may ascertain the validity of the claim for exemption."

SECTION 4. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material or the underscoring.



A BILL FOR AN ORDINANCE

SECTION 5. This ordinance takes effect upon its approval and applies to the tax years beginning July 1, 2016 and thereafter.

INTRODUCED BY:

Ann Kobayashi

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DATE OF INTRODUCTION:

April 15, 2015  
Honolulu, Hawaii

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Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Susan A. Bender  
Deputy Corporation Counsel SUSAN A. BENDER

APPROVED this 22<sup>nd</sup> day of June, 2015.

[Signature]

KIRK CALDWELL, Mayor  
City and County of Honolulu

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
CERTIFICATE

ORDINANCE 15-23

BILL 41 (2015), CD1

Introduced: 04/15/15

By: ANN KOBAYASHI


Committee: BUDGET

Title: A BILL FOR AN ORDINANCE RELATING TO VALUATION OF SOLAR ENERGY AND SOLAR WATER HEATING IMPROVEMENTS FOR REAL PROPERTY TAX PURPOSES.

Voting Legend: \* = Aye w/Reservations

04/22/15	COUNCIL	BILL PASSED FIRST READING AND REFERRED TO COMMITTEE ON BUDGET. 9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.
04/25/15	PUBLISH	PUBLIC HEARING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER.
04/29/15	BUDGET.	CR-142 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON SECOND READING AND SCHEDULING OF A PUBLIC HEARING AS AMENDED IN CD1 FORM.
05/06/15	COUNCIL/PUBLIC HEARING	CR-142 ADOPTED. BILL PASSED SECOND READING AS AMENDED, PUBLIC HEARING CLOSED AND REFERRED TO COMMITTEE ON BUDGET. 9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA, PINE.
05/13/15	PUBLISH	SECOND READING NOTICE PUBLISHED IN THE HONOLULU STAR-ADVERTISER.
05/27/15	BUDGET	CR-195 – BILL REPORTED OUT OF COMMITTEE FOR PASSAGE ON THIRD READING.
06/03/15	COUNCIL	CR-195 ADOPTED AND BILL 41 (2015), CD1 PASSED THIRD READING. 8 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MARTIN, MENOR, OZAWA. 1 ABSENT: PINE.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this BILL.

  
GLEN TAKAHASHI, CITY CLERK

  
ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER