

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
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KIRK CALDWELL
MAYOR



NELSON H. KOYANAGI, JR.
DIRECTOR

MANUEL T. VALBUENA
DEPUTY DIRECTOR

May 20, 2020

MEMORANDUM

TO: The Honorable Kirk Caldwell, Mayor

VIA: Roy K. Amemiya, Jr., Managing Director

FROM: Nelson H. Koyanagi, Jr., Director
Department of Budget and Fiscal Services

SUBJECT: Implementation of COVID-19 Emergency Declarations

This memorandum is to inform you of the action that the Department of Budget and Fiscal Services ("BFS") will implement in accordance with the Governor's Proclamation relating to COVID-19 dated March 4, 2020 and Supplementary Proclamations ("Governor's Proclamations"), and the Mayor's Proclamation COVID-19 [Novel Coronavirus] dated March 4, 2020 and Supplementary Proclamations ("Mayor's Proclamations").

The Governor's March 4 Proclamation invokes Hawaii Revised Statutes ("HRS") Section 127A, Hawaii Revised Statutes, which allows, under the powers of emergency management, the suspension of county ordinances, in whole or in part, to relieve hardships and inequities, or obstructions to the public health, safety, or welfare, which exist in the laws of the county and to result from the operation of federal programs during the emergency period. Said Proclamation also suspends HRS Chapter 46, relating to county organization and administration, insofar as any county ordinance, rule, regulation, law or provision in any form, applies to any county permitting, licensing, zoning, variance, process, procedures, fees or any other requirements that hinder, delay, or impede the purpose of the Proclamation.

On March 13, 2020, the President of the United States ("President") declared a national emergency under the National Emergencies Act (50 U.S.C. 1601 et seq.) concerning the Covid-19 outbreak in the United States (Proclamation 9994). On March 27, 2020, the President signed into law the CARES Act to mitigate, in part, the negative economic impact of the Covid-19 pandemic. On April 18, 2020, the President of the United States issued an Executive Order on National Emergency Authority, providing additional authority to the Secretary of the Treasury to respond to the national emergency, including the authority to extend the tax filing deadlines. Thereafter, the Internal Revenue Service suspended its policy which allowed taxpayers to request tax transcripts by telephone or by mail, and restricts all requests for tax transcripts to be made online until further notice. See, <https://www.irs.gov/individuals/get-transcript>.

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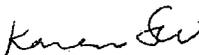
Low-income homeowners who apply for a credit against real property taxes under Chapter 8-13 of the Revised Ordinances of the City and County of Honolulu ("ROH"), are required to submit a tax transcript with their application by September 30. The change by the IRS, which requires all tax transcript requests to be submitted online, may have created an unintended hardship for some low-income homeowners who may not have internet access or the ability to submit online requests for tax transcript at the IRS website in order to timely meet the September 30 deadline.

Based upon both the Governor's Proclamations and the Mayor's Proclamations, the provision which limits proof of income through tax transcripts in ROH Section 8-13.3(a) will be suspended to the extent necessary to allow other proofs of income, such as the first two pages of a 1040 form, to support the credit application in order to minimize the adverse economic impact, inequity and/or hardship upon low-income homeowners as a result of procedural changes by the IRS.

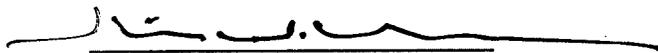
We will continue to review the ordinances, rules and regulations under BFS's jurisdiction to determine if other provisions need to be suspended to effectuate the Governor's Proclamations, the Mayor's Proclamations and/or any Emergency Declaration.


Nelson H. Koyanagi, Jr.
Director

APPROVED AS TO FORM AND LEGALITY


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Deputy Corporation Counsel

APPROVED:


Kirk Caldwell, Mayor

cc: Council Chair Ikaika Anderson
Council Chair Emeritus Ron Menor
Councilmember Kymberly Pine
Councilmember Heidi Tsuneyoshi
Councilmember Tommy Waters
Councilmember Ann Kobayashi
Councilmember Carol Fukunaga
Councilmember Joey Manahan
Councilmember Brandon Elefante