Purpose

The **Residential Use Dedication Program**, outlined in **Revised Ordinances of Honolulu (ROH) 2021**, § 8-7.5, addresses appropriate property tax rates for property owners who use their property as their principal residence or provide long-term residential rentals to Honolulu residents in mixed-use zones. Many of these property owners were paying higher non-residential rates - which include commercial, industrial, hotel & resort - even though they used their properties for residential purposes. This program was designed to maintain the character of residential communities while providing tax relief to property owners who commit their properties. The dedication makes property taxation fairer and more straightforward for property owners who simply want to live in their homes or offer long-term residential rentals without paying non-residential tax rates.

Important Dates

July 1	Beginning tax year
July 20	Annual real property tax bills are mailed
Aug 20	Deadline for first installment
Sept 1	Application deadline for dedications
Sept 30	Application deadline for exemptions
Oct 1	Date of assessment
Nov 1	Deadline to report exemption changes
Dec 15	Notices of assessment mailed/posted online
Jan 15	Deadline for filing Board of Review appeals
Jan 20	Second installment bills are mailed
Feb 20	Deadline for second installment
June 30	Ending tax year

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Understanding Residential Use Dedication

Real Property Assessment Division
City and County of Honolulu

Revised December, 2025

What is Residential Use Dedication?

Residential Use Dedication allows property owners to **dedicate their property for residential use** and receive **lower property tax rates**. By committing to use the property exclusively as a residence, owners benefit from reduced taxes and contribute to preserving residential neighborhoods.

Definitions You Should Know

- **Apartment Building**: A multi-family dwelling on a single parcel that is not subdivided into condominium units.
- **Condominium Unit**: A dwelling or lodging unit that is part of a condominium
- **Multi-Family Dwelling**: A building with three or more dwelling or lodging units, not including hotels.
- **Owner**: The fee simple owner or a lessee whose lease term extends at least **five (5) years** from the date of the petition.
- **Residential Use**: The actual use of a unit as a **residence** by occupants, the owner, or the owner's guests for periods of **30 or more consecutive days**. This means the property is used as a home, not for short-term rentals or business purposes.

Requirements for Dedication

1. **Property Location:** The property must be located in designated districts such as **apartment, resort, business, industrial zones,** or within the **Waikiki special district** or **transit-oriented development special district.**
2. **Exclusive Residential Use:** The property must be used **exclusively** for **residential** purposes.
3. **Property Improvements:** The property must have one or more **detached dwellings, apartment buildings,** or **condominium units** that are legally permitted for residential use.
4. **Condominium Parking/Storage Units:** These can be included if they are used in conjunction with a residential unit.

Dedication Process

1. **Petition Submission:**
   - Owners must submit **Form BFS-RP-D-8-7.5: Petition to Dedicate Certain Property for Residential Use,** declaring their intent to dedicate the property for residential use.
   - **All title holder** must sign the petition.
   - Submit the petition to the **Director of Real Property Assessment** by **September 1st.**
2. **Five-Year Commitment:**
   - Approval of the petition means the owner forfeits the right to change the property's use for at least **five years**, automatically renewable for additional five-year periods unless canceled. The dedication will not be automatically renewed if there is change in ownership.

Effective Date: If approved, the residential classification and tax rate starts from tax year following the date of the dedication application.

3. **Cancellation:**
   - Owners can cancel the dedication by submitting a written notice to the director by September 1st of the fifth year or any subsequent five-year renewal period.
4. **Upon Ownership change, Sale or Transfer:**
   - The dedication continues for the remainder of the five-year term or latest renewal, subject to all restrictions and penalties.
   - Upon expiration of the fifth year, the dedication will not automatically renew and will be canceled by the director unless you choose to renew it.

Dedication Breach - Change of Use and Penalties

If you **do not follow the rules**, the dedication is **canceled retroactively**.

- **Rollback Taxes**: You must pay the **difference in taxes** between the lower residential rate you paid and the higher rate that would have been due if the parcel was not dedicated starting from the tax year before the breach occurred.
- **Penalty**: A **10% per year penalty** is applied to the additional taxes owed, retroactive to the tax year preceding the breach.
- **What Constitutes a Breach?** Failing to use the property as a residence for over **12 consecutive months**, or any overt act of changing the property's use that violates the dedication.

Important Dates and Appeal

1. **Filing Deadline**:
   - Petitions must be filed by **September 1st** preceding the initial dedication year.
2. **Form Submission**:
   - Submit **Form BFS-RP-D-8-7.5: Petition to Dedicate Certain Property for Residential Use**, signed by all title holders, to the director.
3. **Effective Date**:
   - If approved, the residential tax rate applies starting **October 1st** of the same year.
4. **Cancellation Deadline**:
   - To cancel the dedication, submit a written notice by **September 1st** in the fifth year or any subsequent five-year renewal period.
5. **Appeals**:
   - If your petition is disapproved, you can **appeal** under **ROH § 8-12.1**, following the standard process for appealing a tax assessment.

Need Help?

If you have any questions or need assistance filling out the petition, contact us:

- **Phone**: 808-768-3799
- **Email**: realproperty@honolulu.gov