Survive the STVR Shakeup: Hawaii's 2026 Rulebook

A comprehensive compliance guide for Hawaii property owners, hosts, and vacation-rental managers navigating the most significant regulatory overhaul in the state's short-term rental history.

What is an STVR?

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Short-Term Vacation Rental — but don't get too attached to that name. Depending on which county you're dealing with, you might see it called:

- **STR** — Short-Term Rental (common in Maui County)
- **TVR** — Transient Vacation Rental (Big Island's preferred term)
- **TVU** — Transient Vacation Unit (how Oahu often labels it)
- **NUC-** Non-Conforming Use Certificate (NUC) Unit

At its core, it's any **home, condo, room, ohana unit, or ADU** rented to guests for short stays — think Airbnb, VRBO, or direct booking through your own website.

⚠️ ⚠️ Every island plays by its own rules. A short-term vacation rental that may be legal in Kona could violate local regulations in Kihei. Zoning, permit requirements, registration rules, nonconforming-use approvals, and condo restrictions can all vary by county—and sometimes by neighborhood or building. Before buying or operating an STVR, confirm that the specific property is legally eligible, properly permitted, and compliant with both county and association rules.

> **Q: So if my tenant stays 30+ days, am I a long-term rental?**
> A: For zoning purposes on Oahu, generally yes — Honolulu defines short-term rentals as stays under 30 consecutive days, so renting for 30 days or more usually takes you outside the STR permit rules.
>
> **Q: How does Hawaii define a short-term rental for tax purposes?**
> A: Any stay under 180 consecutive days is taxed as a transient accommodation — statewide, no exceptions.

ISLAND BY ISLAND

Maui: The Most Dramatic Overhaul

What Bill 9 Does

Mayor Bissen signed Bill 9 on **December 15, 2025** after a 5–3 council vote. It targets **6,208 apartment-zoned vacation rental units** on the "Minatoya List." West Maui STVRs must cease by **January 1, 2029**; the rest of the county by **January 1, 2031**.

94%

Absentee Owners

Of affected units owned by non-Maui-County residents

$60M

Lost Tax Revenue

Projected annual county tax loss from the phase-out

40%

Condo Value Drop

UHERO projects a 20–40% decline in affected-zone condo values

What's NOT Affected

Approximately **6,500 vacation rental parcels** in hotel-zoned areas continue operating normally, as do hotels, timeshares, and B&Bs.

The Wildcards

- **Two lawsuits** filed within a week of signing allege unconstitutional taking and seek injunctions that could pause the timeline
- **Bill 88** (new H-3/H-4 hotel zoning) could rescue some buildings — but the Planning Commission voted against recommending the new districts in March 2026

Kamaole Sands in Kihei has 428 of 440 units rented short-term — the scale of disruption is hard to overstate.

ISLAND BY ISLAND

Big Island: Mandatory Registration — July 1, 2026

1

Annual Registration Required

Bill 47 mandates registration for **all STVRs** — $250/year hosted, $500/year unhosted. Fines up to **$10,000** for operating unregistered. Ohana units and spare rooms are covered for the first time.

2

Platform Compliance

Platforms (Airbnb, VRBO) must register with the county ($1,000 fee) and **report all listings monthly**. They are now compliance partners — the county will cross-check your listing against its rolls.

3

Ownership Transfer Trap

Registration **expires 90 days after ownership changes**. New owners must re-register promptly — there is no automatic transfer of the prior owner's registration.

ISLAND BY ISLAND

Oahu & Kauai: Different Rules, Same Consequences

Oahu

Whole-home STVRs are **restricted to resort-zoned areas**. Residential-zone vacation rentals are essentially prohibited, with fines reaching **$10,000 per day**.

Honolulu attempted to raise the minimum rental period from 30 to 90 days in 2022. A federal court permanently blocked the city from applying that change to lawful 30-to-89-day rentals that were already operating when the ordinance took effect. Although the city retained 90-day language in its 2025 Land Use Ordinance update, Honolulu DPP currently says it continues to enforce the short-term rental threshold as stays of fewer than 30 consecutive days.

Kauai

No new residential TVR permits have been issued since 2008. The legal pool only shrinks — there is no path back in once a permit is lost.

The county's most unforgiving rule: miss your annual renewal by even **one business day** and the permit is **permanently forfeited** — no grace period, no reapplication.

Kauai does NOT send renewal reminders. Send your renewal via certified mail at least two months before the deadline.

The 2026 Tax Stack

State TAT — (10.25% to 13.25%)

Rose from 10.25% on January 1, 2026. Applies to all gross rental proceeds for stays under 180 days.

County TAT Surcharge — 3%

Each county adds 3% on top of state TAT → **14% combined TAT** before other taxes.

GET — 4 to 4.5%

Honolulu (Oahu), Kauai, and Maui Counties: 4.5% (4.50 per 100)Hawaii County (Big Island): 4.712% (includes a 0.25% surcharge for the county)

General Excise Tax on **gross proceeds** — not profit. Cleaning fees included. No deductions.

~18.5%

Total Tax Bite

On every dollar of gross rental income in Hawaii

When you operate an Airbnb in Hawaiʻi, there are several different taxes to plan for. First is the state Transient Accommodations Tax, or TAT, which increased to 11 percent in 2026 and generally applies when a guest stays fewer than 180 consecutive days. On top of that, every county charges an additional 3 percent county TAT, bringing the combined TAT rate to 14 percent. You also owe General Excise Tax, or GET, on your gross rental receipts—not just your profit. The GET liability is currently 4.5 percent across Hawaiʻi because every county has adopted the additional half-percent surcharge. If you separately pass GET on to the guest, the maximum amount you may visibly charge is 4.712 percent. So, using a simple $300 nightly rate with no additional fees, the state TAT would be $33, the county TAT would be $9, and GET at 4.5 percent would be $13.50, for approximately $55.50 in transaction taxes—or 18.5 percent of the nightly rate. Remember, GET applies to gross receipts and can also include cleaning fees and other amounts collected from the guest. You may also owe Hawaiʻi and federal income taxes on your rental profit, plus county real-property taxes based on the property's assessed value and vacation-rental classification. Those rates vary by county and property, so they are separate from the 18.5 percent example. Even when Airbnb collects certain taxes from the guest, the property owner remains responsible for confirming that the correct returns are filed and the full amounts are paid.

Consequences of Non-Compliance

The enforcement environment has fundamentally shifted. Counties are now **motivated and equipped** to pursue unregistered operators — a Big Island study alone found **$12 million in TAT and $1.6 million in GET** going uncollected.

1

Cease-and-Desist Orders

The first formal step — requires immediate suspension of rental activity.

2

Daily Fines

Up to **$10,000 per day** on Oahu; up to $10,000 per violation on the Big Island for unregistered operation.

3

State Tax Action

Interest, penalties, and collection actions from the Department of Taxation for unpaid GET and TAT.

4

Permanent Revocation

Repeat violations in some counties result in **permanent license revocation** — no path to re-licensure.

Platforms are not your safety net. Hawaii does not allow Airbnb or VRBO to collect and remit taxes on hosts' behalf. If you assumed the platform had it covered, you may already be behind.

Zoning Is Everything — Know Before You Buy

Two Identical Condos, Two Completely Different Futures

Two units across the street from each other — one hotel-zoned and safe to operate, one apartment-zoned and facing a 2029 shutdown. The building name tells you nothing. **The zoning does.**

There is no single "Bill 9 map." Verification requires checking the unit-level county zoning record, the Minatoya List, and the AOAO — three separate sources.

Hidden Traps

- **Ag land:** The Hawaii Supreme Court unanimously ruled farm dwellings cannot be used as STVRs — no exceptions
- **Oahu disclosure forms:** Sellers must disclose STVR legal status — but a form is a starting point, not a strategy
- **Market split:** High-risk apartment-zoned inventory is rising while hotel-zoned units hold value

What a Qualified Local Agent Checks

01

TMK & Zoning District

Tax Map Key verification confirms exact parcel classification at the county level.

02

Permit & Registration Status

Active permit, registration current, no pending violations or revocations.

03

Minatoya List & Phase-Out Exposure

Is this unit subject to Bill 9 shutdown? Which deadline applies?

04

Pending Legislation

Active bills, lawsuits, and rezoning proposals that could change the picture before closing.

FAQ Lightning Round

The most common questions from Hawaii hosts and buyers — answered directly.

Q: Why are Hawaii's STR laws so strict?

Land-use constraints, housing scarcity, and overtourism concerns drive a policy preference to concentrate STRs in resort areas. Hawaii has a **fixed land base**, intense visitor demand, and a resident housing crisis — the state chose neighborhoods over nightly rentals.

Q: Can I operate an Airbnb on Oahu?

A: Only if the property’s zoning allows short-term rentals. Most new STRs are limited to resort-zoned or other specifically approved areas, while some properties may operate under a valid Nonconforming Use Certificate. Most residential neighborhoods do not allow short-term rentals.

Q: Do Airbnb and VRBO handle my Hawaii taxes?

No. Hawaii doesn't allow platforms to collect and remit taxes on hosts' behalf. You must register for GET and TAT licenses yourself, file returns, and pay the state and county directly. If you assumed the platform handled it, you may already owe back taxes.

Q: I own a Minatoya List condo. Must I stop renting now?

No — the phase-out is staggered. **West Maui** units operate legally through December 31, 2028; **all other county** units through December 31, 2030. Pending lawsuits and Bill 88 could shift the picture — plan finances on the law as written and stay current on updates.

Key Takeaways: Your 2026 Compliance Checklist

Verify Your Zoning

Check the TMK, zoning district, and Minatoya List status — before buying, before listing, before assuming.

Register Everywhere

State TAT license, county GET license, and county STVR registration — all three, with your number in every listing.

Never Miss a Renewal

Especially on Kauai: one missed business day forfeits your permit permanently. Set calendar reminders two months out.

Collect & Remit Taxes Yourself

~18.5% of gross proceeds. Platforms won't do it for you. File state AND county returns on time, every time.

Work With a Local Expert

Hawaii zoning is hyper-local and rapidly evolving. A knowledgeable local agent is risk management, not a sales pitch.

The rules are changing fast — stay plugged in, plan your finances on the law as written today, and consult a licensed Hawaii real estate professional before making any major decisions.