



## Fiscal Estimate Narratives

DOR 3/29/2005

LRB Number	05-1367/1	Introduction Number	AB-221	Estimate Type	Original
<b>Subject</b>					
Assessing and collecting personal property taxes on mobile homes					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, a mobile home is assessed as personal property if any one of the following applies:

- the mobile home is located on land owned by someone other than the mobile home owner,
- the mobile home is not connected to utilities, or
- the mobile home is not set upon a foundation.

The mobile home owner is responsible for paying the personal property taxes.

Under the bill, the owner of the land on which a mobile home is located is responsible for personal property taxes on the mobile home.

The bill does not apply to personal property located in mobile home parks.

Based on discussions with assessors, it is typically more costly to assess and collect taxes on a mobile home classified as personal property than on real property. The additional cost may be due to the difficulty of obtaining information regarding the mobile home owner and billing address or because mobile home owners are often part-time residents. The bill would have the effect of shifting the costs of assessing a mobile home classified as personal property, and collecting the taxes thereon, from the municipality to the owner of the land on which the mobile home is located. The Department does not have data to estimate the cost savings under the bill.

The bill has no state fiscal effect.

### Long-Range Fiscal Implications