



Senate Fiscal Agency  
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## BILL ANALYSIS

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Senate Bill 1311 (as introduced 6-22-04)  
Sponsor: Senator Valde Garcia  
Committee: Finance

Date Completed: 6-23-04

**CONTENT**

**The bill would amend the Mobile Home Commission Act to impose a State transfer tax on the sale or transfer of a mobile home in Michigan, beginning January 1, 2011, and require the tax revenue to be deposited in the School Aid Fund. The transfer tax would apply to a sale or transfer that was not subject to Section 4cc of the General Sales Tax Act (a section that does not presently exist).**

The transfer tax would be levied at a rate of 3.0% of the total value of the mobile home being transferred. It would have to be paid to the Department of Labor and Economic Growth (DLEG) when the certificate of title was transferred to the new owner. At least once a month, DLEG would have to forward the collected tax to the State Treasurer for credit to the State School Aid Fund.

Under the Act, if a mobile home owner transfers or assigns his or her title or interest to the mobile home, the owner must endorse an assignment of the home with warranty of title on the back of the certificate of title, and mail or deliver the certificate to DLEG or to the purchaser or transferee when the home is delivered. The purchaser or transferee must present the certificate of title to DLEG with the applicable fee. Upon presentation with the fee, DLEG must issue a new certificate of title.

Under the bill, DLEG would have to issue a new certificate of title upon presentation of the certificate of title with the applicable fee, upon payment of the transfer tax, and upon the filing of a valuation affidavit.

The bill would define "valuation affidavit" as an affidavit developed and supplied by DLEG that provided for all of the following:

- The name and address of the seller or transferor.
- The name and address of the buyer or transferee.
- The description of the mobile home contained in the certificate of title.
- The value of the mobile home being transferred or sold.
- Any other information DLEG required.

"Value" would mean the current or fair market worth in terms of legal monetary exchange at the time of sale or transfer.

MCL 125.2330c et al.

Legislative Analyst: Suzanne Lowe

## **FISCAL IMPACT**

No estimate of the fiscal impact of this bill can be made at this time because the proposed transfer tax would apply to mobile homes that are not subject to Section 4cc of the General Sales Tax Act, but that section does not exist.

Fiscal Analyst: Jay Wortley  
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