



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5844 (Substitute H-2 as reported without amendment)
Sponsor: Representative Randy Richardville
House Committee: Local Government and Urban Policy
Senate Committee: Finance

CONTENT

The bill would amend the Income Tax Act to include the manufactured housing specific tax proposed by House Bill 4880 (H-9) in the calculation of the homestead property tax credit. The bill is tie-barred to House Bill 4880.

Under the Act, a mobile home or trailer coach in a trailer coach park is a homestead, and the site rent for space is considered the rent of a homestead, for the purpose of the homestead property tax credit. The Act also states that the specific tax levied on mobile homes and trailer coaches under Public Act 243 of 1959 is considered a property tax. Under the bill, the proposed Michigan manufactured housing specific tax also would be considered a property tax. (Public Act 243 imposes a \$3-per-month specific tax on manufactured housing. House Bill 4880 (H-9) would replace that with a State specific tax ranging from \$4.50 in 2005 to \$12 in 2010 and subsequent years.)

(Under the Income Tax Act, the owners of manufactured housing receive a homestead tax credit for the property tax they pay and 20% of their lot rent.)

MCL 206.508

Legislative Analyst: J.P. Finet

FISCAL IMPACT

Please see the **FISCAL IMPACT** on House Bill 4880 (H-9).

Date Completed: 11-30-04

Fiscal Analyst: Jay Wortley