

SENATE BILL No. 1311

June 22, 2004, Introduced by Senators GARCIA and BASHAM and referred to the Committee on Finance.

A bill to amend 1987 PA 96, entitled "The mobile home commission act," by amending the title and sections 30c and 30g (MCL 125.2330c and 125.2330g) and by adding section 30j.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

TITLE

An act to create a mobile home commission; to prescribe its powers and duties and those of local governments; to provide for a mobile home code and the licensure, regulation, construction, operation, and management of mobile home parks, the licensure and regulation of retail sales dealers, warranties of mobile homes, and service practices of dealers; to provide for the titling of mobile homes; **to impose a transfer tax; to provide for the disposition of the transfer tax;** to prescribe the powers and duties of certain agencies and departments; to provide remedies

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1 and penalties; to declare the act to be remedial; to repeal this
2 act on a specific date; and to repeal ~~certain~~ acts and parts of
3 acts.

4 Sec. 30c. (1) If the owner of a mobile home transfers or
5 assigns the owner's title or interest to the mobile home, the
6 owner shall indorse on the back of the certificate of title an
7 assignment of the mobile home with warranty of title with a
8 statement of all security interests in the mobile home, and shall
9 cause the certificate to be mailed or delivered to the department
10 or to the purchaser or transferee at the time of the delivery to
11 the purchaser or transferee of the mobile home.

12 (2) Upon the delivery of a mobile home and the transfer,
13 sale, or assignment of the title or interest in a mobile home,
14 the effective date of the transfer of title or interest shall be
15 the date of execution of either the application for title or the
16 certificate of title.

17 (3) The purchaser or transferee, unless the purchaser or
18 transferee is a licensed dealer, shall cause to be presented to
19 the department the certificate of title accompanied by the
20 applicable fee, as follows:

21 (a) Except as provided in subdivision (b) or (c), \$45.00.

22 (b) Except as provided in subdivision (c), \$15.00, if the
23 sale, assignment, or other transfer will require the addition or
24 deletion from the certificate of title of any of the following:

25 (i) The owner's spouse.

26 (ii) A person related to the owner within the fourth degree
27 of consanguinity as computed by the civil law method.

1 (iii) A person related to the owner's spouse within the
2 fourth degree of consanguinity as computed by the civil law
3 method.

4 (c) Any other lesser amount established pursuant to
5 section 9(5).

6 (4) Upon presentation of the certificate of title accompanied
7 by the applicable fee, **upon payment of the transfer tax imposed**
8 **under section 30j, and upon the filing with the department of a**
9 **valuation affidavit described in section 30j**, a new certificate
10 of title shall be issued. A certificate of title issued under
11 subsection (3) and this subsection shall be mailed or delivered
12 to the owner or any other person the owner may direct in a
13 separate instrument in a form as prescribed by the department.

14 (5) If a security interest is reserved or created at the time
15 of the transfer, the parties shall comply with section 30d.

16 (6) If the transferee of a mobile home is a mobile home
17 dealer who holds the mobile home for resale, the dealer shall not
18 be required to forward the certificate of title to the
19 department, but the dealer shall retain possession of the
20 assigned certificate of title. Upon transfer of the dealer's
21 title or interest to another person, the dealer shall execute and
22 acknowledge an assignment and warranty of title upon the
23 certificate of title and deliver it to the person to whom the
24 transfer is made if the person is a licensed dealer; otherwise
25 application for a new title shall be made by the transferor as
26 provided in section 30a(1).

27 Sec. 30g. (1) The department may cancel or refuse to issue

1 a certificate of title:

2 (a) If the department is satisfied that the certificate of
3 title was fraudulently or erroneously issued.

4 (b) If the department determines that the holder of the
5 certificate has made or is making an unlawful use of the
6 certificate.

7 (c) If the department determines that the required fee has
8 not been paid and the fee is not paid upon reasonable notice or
9 demand.

10 (d) If the department is authorized under any other provision
11 of this act.

12 (e) Upon receipt of notification from another state or
13 foreign country that a certificate of title issued by the
14 department has been surrendered by the owner in conformity with
15 the laws of the other state or foreign country.

16 (f) If it is shown by satisfactory evidence that delivery of
17 a mobile home in the possession of a dealer was not made to the
18 applicant to whom the certificate was issued.

19 **(g) If the department determines that the transfer tax under**
20 **section 30j has not been paid or has been underpaid or the**
21 **valuation affidavit described in section 30j contains fraudulent**
22 **or erroneous information.**

23 (2) Before a cancellation under subsection (1)(a), (b), or
24 (d) is made, the person affected shall be given notice and an
25 opportunity to be heard.

26 **Sec. 30j. (1) Beginning January 1, 2011, a state transfer**
27 **tax is hereby imposed on the sale or transfer of a mobile home in**

1 this state that is not subject to section 4cc of the general
2 sales tax act, 1933 PA 167, MCL 205.54cc.

3 (2) The transfer tax levied under subsection (1) is levied at
4 a rate of 3.0% of the total value of the mobile home being
5 transferred. The transfer tax shall be paid to the department
6 when the certificate of title is transferred to the new owner.

7 (3) The transfer tax imposed under this section shall be
8 collected by the department and not less than 1 time each month
9 shall be forwarded to the state treasurer for credit to the state
10 school aid fund established in section 11 of article IX of the
11 state constitution of 1963.

12 (4) As used in this section:

13 (a) "Valuation affidavit" means an affidavit developed and
14 supplied by the department that provides for all of the
15 following:

16 (i) Name and address of the seller or transferor.

17 (ii) Name and address of the buyer or transferee.

18 (iii) Description of the mobile home contained in the
19 certificate of title.

20 (iv) Value of the mobile home being transferred or sold.

21 (v) Any other information required by the department.

22 (b) "Value" means the current or fair market worth in terms
23 of legal monetary exchange at the time of sale or transfer.