

# Legislative Analysis

---



## MOBILE HOME PARK MONTHLY TAX

Mitchell Bean, Director  
Phone: (517) 373-8080  
<http://www.house.mi.gov/hfa>

**Senate Bill 111 (Substitute S-1)**

**Sponsor: Sen. Ron Jelinek**

**House Committee: Intergovernmental, Urban, and Regional Affairs**

**Senate Committee: Local, Urban, and State Affairs**

**Complete to 11-6-07**

## A SUMMARY OF SENATE BILL 111 AS PASSED BY THE SENATE 8-22-07

The bill would amend Public Act 243 of 1959, which regulates trailer coach (mobile home) parks, to provide for a penalty, interest, and a civil fine for failure to remit the monthly tax.

Under the bill, a licensee (park owner) who did not remit the tax by the required date would have to pay a late payment penalty of three percent of the unpaid balance. Interest would accrue on the unpaid balance at a rate of one percent per month. The licensee also would be liable for a civil fine of up to \$10 per occupied trailer coach for each month the licensee did not remit the tax. (The bill does not specify how this civil fine is to be distributed.)

MCL 125.1041

**BACKGROUND:** Trailer coach (mobile home) park licensees are required to collect and remit a monthly tax of \$3 per occupied trailer coach (mobile home), by the fifth day of each month. (Licensees may recover the cost of this tax through an increase in charges on mobile home parking spaces.) The tax is in lieu of the property tax on a mobile home, and must be remitted to the treasurer of the municipality (city, village, or township) where the park is located. Of each fee, the act allocates 50 cents to the municipality, 50 cents to the county, and \$2 to the State School Aid Fund. There is currently no penalty for failure to remit the tax. The tax reportedly generates \$5 million each year.

## FISCAL IMPACT:

As written, the bill could potentially generate a small revenue increase.

Legislative Analyst: J. Hunault  
Fiscal Analyst: Jim Stansell

---

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.