



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

Senate Bill 111 (as introduced 1-30-07)  
Sponsor: Senator Ron Jelinek  
Committee: Local, Urban and State Affairs

Date Completed: 7-24-07

**CONTENT**

The bill would amend Public Act 243 of 1959, which provides for the regulation of trailer coach parks, to create a civil fine for failure to remit a monthly trailer coach tax.

The Act requires trailer coach park licensees to collect and remit a monthly tax of \$3 per occupied trailer coach by the fifth day of each month. Licensees may recover the cost of this tax through an increase in charges on trailer coach parking spaces. The tax is in lieu of the property tax on a trailer coach, and must be remitted to the treasurer of the municipality where the park is located. Of each fee, the Act allocates \$0.50 to the municipality, \$0.50 to the county, and \$2 to the State School Aid Fund.

Under the bill, a licensee would be liable for a civil fine of up to \$10 per trailer coach for each month the licensee did not remit the tax by the date required, and interest would accrue on the balance at the statutory rate.

MCL 125.1041

Legislative Analyst: Craig Laurie

**FISCAL IMPACT**

The current \$3 per month mobile home tax generates about \$5.0 million annually. This tax is in lieu of the general property tax. The School Aid Fund receives the revenue generated from \$2 of this tax and the county government and local municipal government (city, village, or township) in which the park is located each receive the revenue generated from \$0.50 of this tax. The licensed park owner is required to collect this tax each month and remit it to the municipal government by the fifth day of the following month. The municipal government then distributes the county and School Aid Fund shares. There is currently no penalty for late payment of this tax. The penalty proposed in this bill, which equals interest plus \$10 per month, would be in excess of 3.3 times the amount of the \$3 per month tax. It is estimated this bill would help improve the timely payment of the mobile home tax, but would generate only a minimal amount of new revenue.

Fiscal Analyst: Jay Wortley

S0708\sb111sa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.