



Department of Local Government Finance

Assessing Mobile Homes

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Accessing BMV Title Data

- The Bureau of Motor Vehicles (BMV) is now offering access to quarterly data dumps of mobile home titling information within a county.
- To enter into a data use agreement with the BMV, email Katie Day at kday2@bmv.in.gov with your request.



Frequently Asked Question

- Question: What happens when the NADA values increase from last year to this year? Taxpayers believe that the value should go down each year.
- Answer: When considering which of the three valuation options should be used, it is very possible that you will determine that the NADA value should be used. If the value increases, you would have evidence to support your assessment. If the owner disagrees with that assessment, an appeal could be filed and he can submit evidence to challenge your assessment.



State Board of Accounts FAQ

- Question: Please advise what we need to do in order to charge for mobile home permits? We know some counties charge for these; our attorney does not want us to charge unless the law spells it out. Do we have to adopt an ordinance under Home Rule? Can you Home Rule the fund you put the mobile home fee in? Our County put the fee in a separate fund to be used for the Treasurer's office for training.



State Board of Accounts FAQ

- Answer: According to the Treasurer’s Manual, Chapter 6 in the “Mobile Home Permit for Moving or Transferring Title” section, “A county may establish a fee for issuing such permits if it adopts a Home Rule Ordinance establishing the fee in accordance with IC 36-1-3-1. All fees shall be deposited into the county general fund.”
- Source: The County Bulletin, Vol. No. 401 Page 19 October 2016
- http://www.in.gov/sboa/files/cob2016_401.pdf



Frequently Asked Question

- Question: When do the annually assessed mobile home values need to roll to the auditor's office?
- Answer: 50 IAC 26-20-6 requires the county assessor to submit the annually assessed mobile home values to the DLGF on or before March 1 of the year of assessment, and as a best practice, the county assessor should roll these values to the county auditor when the values are submitted to the DLGF. For mobile homes assessed as personal property, Ind. Code § 6-1.1-7-5 specifies that the county assessor is required to roll these values to the county auditor by July 1.



Mobile Home Basics





Assessment of Mobile Homes

- Indiana Code - IC 6-1.1-7 / Taxation of Mobile Homes
- <http://www.in.gov/legislative/ic/code/title6/ar1.1/ch7.html>
- Indiana Administrative Code – Article 3.3 / 50 IAC 3.3
Assessment of Mobile Homes
<http://iga.in.gov/legislative/laws/2019/ic/titles/006/#6-1.1-7>



Annually Assessed Mobile Home Defined

- **50 IAC 3.3-2-2**

“Annually assessed mobile home” defined

Sec. 2. “Annually assessed mobile home” means a mobile home that:

- (1) has a certificate of title issued by the bureau of motor vehicles under IC 9-17-6; and
- (2) is not on a permanent foundation.



Manufactured Homes IC 9-17-1-0.5

- **IC 9-17-1-0.5**

Items requiring a title under IC 9-17

Sec. 0.5. The following are required to be titled under this article:

(3) Manufactured or mobile homes that are:

(A) personal property not held for resale; or

(B) not attached to real estate by a permanent foundation.



Mobile Home Defined and Manufactured Home Defined

- 50 IAC 3.3-2-3 - “Mobile Home” means a “dwelling” as defined in IC 9-13-2-103.2.
- A “manufactured home” as defined in IC 9-13-2-96.



Mobile Home Defined IC 9-13-2-103.2

- **IC 9-13-2-103.2**

Mobile home

Sec. 103.2. “Mobile home” means a structure that:

- (1) is assembled in a factory
- (2) is designed to be transported from the factory to another site in one (1) or more units;
- (3) is suitable for use as a dwelling in any season;
- (4) is more than thirty-five (35) feet long; and
- (5) either:
 - (A) bears a seal certifying that the structure was built in compliance with the federal Manufactured Housing Construction and Safety Standards Law (42 USC 5401 et seq.); or
 - (B) was manufactured before the effective date of the federal Manufactured Housing Construction and Safety Standards Law of 1974 (42 USC 5401 et seq.).



Manufactured Home Defined IC 9-13-2-96

- **IC 9-13-2-96**

Manufactured home

Sec. 96. (a) “Manufactured home” means, except as provided in subsections (b) and (c), a structure that:

- (1) is assembled in a factory;
- (2) bears a seal certifying that it was built in compliance with the federal Manufactured Housing Construction and Safety Standards Law (42 USC 5401 et seq.);
- (3) is designed to be transported from the factory to another site in one (1) or more units;
- (4) is suitable for use as a dwelling in any season; and
- (5) is more than thirty-five (35) feet long.

The term does not include a vehicle described in IC 9-13-2-150(2).



Manufactured Home Defined IC 9-13-2-96

(b) “Manufactured home”, for purposes of IC 9-17-6, means either of the following:

- (1) A structure having the meaning set forth in the federal Manufactured Housing Construction and Safety Standards Law of 1974 (42 USC 5401 et seq.).
- (2) A mobile home.

This subsection expired on June 30, 2016.

(c) “Manufactured home”, for purposes of IC 9-22-1.7, has the meaning set forth in IC 9-22-1.7-2.



Abandoned Manufactured Homes in Mobile Home Communities

- IC 9-22-1.7-2

“Manufactured home”

Sec. 2. As used in this chapter, “manufactured home” means either of the following:

- (1) A nonself-propelled vehicle designed for occupancy as a dwelling or sleeping place.
- (2) A dwelling, including the equipment sold as a part of the dwelling, that:
 - (A) is factory assembled;
 - (B) is transportable;
 - (C) is intended for year-round occupancy;
 - (D) is designed for transportation on its own chassis; and
 - (E) was manufactured before the effective date of the federal Manufactured Housing Construction and Safety Standards Law of 1974 (42 USC 5401 et seq.).



Park Models

- The “more than 35’ length” requirement in the statutes makes some assessors question park models titled as an RV because the characteristics of it are more similar to a mobile / manufactured home than to a recreational vehicle BUT...



Park Models

- ...the Bureau of Motor Vehicles (BMV) has the authority to title the recreational vehicles, park models, and mobile/manufactured homes and the length is one of the statutory requirements that they consider when making a determination on the classification of the asset.



Frequently Asked Question

- Question: If the park model is titled as a recreational vehicle and the owner is not paying the annual excise taxes on it, could I assess it as a mobile home since no taxes are being paid on it?



Frequently Asked Question

- Answer: No, the statutes are clear on the factors to consider when determining whether an asset is subject to property tax or excise tax and the payment of taxes is not one of the factors.



Frequently Asked Question

- Question: If a taxpayer doesn't pay the excise taxes annually on a park model or RV, will the BMV collect all of the back taxes due before transferring the title?
- Answer: No, the BMV will collect up to one (1) year's delinquent taxes and the current taxes due at the time of registration so if multiple years are involved, it is possible that not all of the delinquent taxes will be collected.



Frequently Asked Question

- Question: Could a recreational vehicle that is used as the owner's principal place of residence be considered a mobile home? If it could be, I believe the owner wanted to apply for the homestead deduction.



Frequently Asked Question

- Answer: A recreational vehicle would not meet the statutory requirements to be classified as a mobile / manufactured home (designed for year-round occupancy, length, meets safety standards); therefore, it would be subject to excise tax. It would not be eligible for the homestead deduction because it is not a dwelling.



Real Property Mobile Home Defined

- A mobile home that has an affidavit of transfer to real estate recorded by the county recorder under IC 9-17-6-15.5; (50 IAC 3.3-2-4)
- or has a certificate of title issued by the Bureau of Motor Vehicles under IC 9-17-6 and is attached to a permanent foundation.



Permanent Foundation Defined (50 IAC 3.3-2-3.5)

- Any structural system capable of transposing loads from a structure to the earth at a depth below the established frost line.



Transfer Manufactured Homes Title IC 9-17-6

Application of Transfer to Real Estate

- (1) Manufactured home is attached to real estate by a permanent foundation.
- (2) Affidavit of transfer to real estate and the retired certificate of title, if available, is filed with the county recorder's office.



IBTR Decision – 2018

- In August of 2018, the IBTR issues a decision on Richard Cimini v. LaGrange Co.
- Challenged the classification of his mobile home as real property, as opposed to personal property, since it had no foundation but did have a hitch and axles. The Petitioner also argued that he had not forfeited the title to the BMV and had been paying taxes on the property.
- In the end, both parties agreed that the mobile home should be valued annually with the NADA guide.
- https://www.in.gov/ibtr/files/Cimini_44-010-16-1-5-01074-17.pdf



Rule 3. Method 50 IAC 3.3-3-1

- (a) County assessor or township assessor, if any, shall assess the mobile home for taxation.
- (b) A mobile home shall be assessed as real property under the Department of Local Government Finance Real Property Assessment Rules, if the mobile home meets the definition given in 50 IAC 3.3-2-4.



Rule 3. Method 50 IAC 3.3-3-1 (cont'd)

- (d) An annually assessed mobile home and all exterior features, yard structures, and improvements owned by the mobile homeowner and located on the same parcel as the mobile home shall be annually assessed if the mobile home meets the definition given in 50 IAC 3.3-2-2.



Frequently Asked Question

- Question: Why are exterior features, yard structures, and improvements handled differently between annually assessed mobile homes and recreational vehicles/campers located in a campground?



Frequently Asked Question

- Answer: Basically because IC 6-1.1-2-4 and 50 IAC 3.3-3-1 state that they should be handled this way. Remember that if a mobile home was to be moved, the taxes must be paid before a permit would be issued but an RV is subject to excise tax and could be moved at any time so the collection of delinquent taxes would be more difficult.



Rule 4 Assessment Dates 50 IAC 3.3-4-1

- An annually assessed mobile home shall be assessed on January 1 and taxed at the current year's tax rate. The owner of an annually assessed mobile home shall pay the tax in accordance with IC 6-1.1-7-7.
- A mobile home assessed as real property under 50 IAC 3.3-3-1 shall be assessed on January 1 and taxed at the following year's rate.



Rule 5 Valuation Guide 50 IAC 3.3-5-1

- County assessors or township assessors, if any, shall use the standard of true tax value as set forth in the Department's real property assessment rules in the assessment of mobile homes determined to be real property.
- Remember that the gross rent multiplier method is the preferred method for valuing mobile homes. IC 6-1.1-4-39(b)



Frequently Asked Question

- Question: Concerning IC 6-1.1-4-39 (b) and the requirement that we consider the gross rent multiplier method for real property mobile homes, what do we do when there is not sufficient data to use this method?



Frequently Asked Question

- Answer: In the IBTR decision for Phil & Amy Thorne vs. the Lawrence County Assessor (Petition # 47-013-06-1-5-00006) issued in June of 2010, no GRM data was presented as evidence so the three generally accepted techniques to calculate the value (i.e. cost, sales comparison, and income approaches) were then considered.



Rule 5 Valuation Guide 50 IAC 3.3-5-1

- (b) All annually assessed mobile homes assessed after January 14, 2007, shall have a true tax value set at the least of the values determined using the following:
- (1) the National Automobile Dealers Association Guide (NADA);



NADA References

- The NADA Manufactured Housing Appraisal Guide and/or CD-Rom version can be purchased by contacting NADA.
<http://www.nadaguides.com/>
- You can also contact NADA directly at (800) 966-6232.



Rule 5 Valuation Guide 50 IAC 3.3-5-1

- (2) the purchase price of the mobile home if the:
 - (A) sale is of a commercial enterprise nature;
 - (B) buyer and seller are not related by blood or marriage;
and
 - (C) the sale date is within one (1) year prior to or subsequent to the January 1 valuation date; or
- (3) sales data for generally comparable mobile homes.



Frequently Asked Question

- Question: Can you help me understand the phrase concerning the sale being of a commercial enterprise nature and how that is related to being an arm's length transaction?



Frequently Asked Question

- Answer: In the IBTR decision for Phil & Amy Thorne vs. the Lawrence County Assessor (Petition # 47-009-07-1-6-00009) issued in June of 2010, #26 in the Analysis Section explains that generally accepted appraisal principles are not relevant when the statutes and Department administrative codes impose a specific condition.



Frequently Asked Question

- Answer (continued): It was also noted in this decision that a mobile home was repossessed by a financial institution and then resold which seems to indicate a transaction of a commercial enterprise nature. This is a good example of the intent of the statute.



IBTR Decisions: Thorne vs. Lawrence County

- In June of 2010, the IBTR released decisions on 16 appeals filed by Phil & Amy Thorne in Lawrence County. These appeals were for annually assessed mobile homes for the 2007 assessment date. This assessment date was the first year that the new statutory language went into effect so these appeals with their differing scenarios may offer some guidance for assessing officials today.



IBTR Decisions: Thorne vs. Lawrence County

- The outcome for the majority of the decisions seemed to hinge on 50 IAC 3.3-5-1(b)(2) which is the purchase price of the mobile home and if it was within one (1) year of the assessment date.
- If the sale was within the 1 year period, the taxpayer's purchase price was determined to be the best value. For sales over 1 year, the assessor's NADA value was found to be the best value available of the three options.



IBTR Decisions: Thorne vs. Lawrence County

- Other noteworthy comments from these decisions include:
- Assessment methods for real property and annually assessed mobile homes differ considerably. (Petition #47-013-06-1-5-00006)
- For annually assessed mobile homes, market value concepts should not be relied upon entirely because the law dictates how they are to be assessed.



IBTR Decisions: Thorne vs. Lawrence County

- Noteworthy comments (continued):
- Even though the property owner invested \$2,000 in the mobile home between the sales date and the assessment date, the purchase price was determined to be the best value available that because it complied with the law. Petition #47-009-07-1-6-00015
- So if an appraisal was presented as evidence in an annually assessed mobile home appeal, could it be considered?



IBTR Decision – 2017

- In January of 2017, the IBTR issues a decision on Richard Cimini v. LaGrange Co.
- Challenged the classification of his mobile home as real property, as opposed to personal property, since it had no foundation but did have a hitch and axles.
- In the end, the county's appraisal was accepted as the best evidence of value and used to increase the assessments (2 years).
- <http://www.in.gov/ibtr/files/Cimini%2044-010-14-1-5-01052-16%20etc.pdf>



Frequently Asked Question

- Question: So we are to determine the least of the values with the NADA value, the purchase price if less than 1 year from the assessment date, or sales data. This means one assessment year we might use the purchase price and the next year, we would use the NADA price which could be considerably different. Correct?
- Answer: That is correct since each assessment year stands alone and the law provides specific valuation methods to consider.



Frequently Asked Question

- Question: What happens when the NADA values increase from last year to this year? Taxpayers believe that the value should go down each year.
- Answer: When considering which of the three valuation options should be used, it is very possible that you will determine that the NADA value should be used. If the value increases, you would have evidence to support your assessment. If the owner disagrees with that assessment, an appeal could be filed and he can submit evidence to challenge your assessment.



Mobile Home Forms

- Form 1 – Notice of Placing of Mobile Home Upon Land or Lot
- Form 2 – Notice of Assessment of Mobile Home (Annually Assessed)
- Mobile Home Permit



Movement of Mobile Homes; Transfer of Title; Permits IC 6-1.1-7-10

- Sec. 10.
- A mobile home may not be moved from one location to another unless the owner obtains a permit to move the mobile home from the county treasurer.
- The Bureau of Motor Vehicles may not transfer the title to a mobile home or change names in any manner on the title to a mobile home unless the owner or the owner's agent holds a valid permit to transfer the title that was issued by the county treasurer and includes the county treasurer's embossed seal.



FAQ to BMV on MH Permits

- Question: When does the Bureau of Motor Vehicles (BMV) not require a mobile home permit to transfer a title?
- Answer: Except when it involves an abandoned mobile home, the BMV requires this permit for a MH title transaction where ownership is being transferred or changed in any manner.



Movement of Mobile Homes; Transfer of Title; Permits

IC 6-1.1-7-10

- Sec. 10.
- (d) A county treasurer shall issue a permit which is required to either move, or transfer the title to, a mobile home if the taxes, special assessments, interest, penalties, judgments, and costs that are due and payable on the mobile home have been paid and the person requesting the permit has a state issued title, a court order, or a bureau of motor vehicles affidavit of sale or disposal. The county treasurer shall issue the permit not later than two (2) business days (excluding weekends and holidays) after the date the completed permit application is received by the county treasurer. The permit shall state the date it is issued.



Movers of mobile homes, possession of permit IC 6-1.1-7-11

- Sec. 11.
- A person who is engaged to move a mobile home may not provide that service unless the owner presents him with a permit to move the mobile home and the permit is dated not more than ninety (90) days before the date of the proposed move. The mover shall visibly display the permit while the mobile home is in transit.



Sale of Mobile Home - IC 6-1.1-7-10.4

- Sec. 10.4.
- The owner of a mobile home who sells the mobile home to another person shall provide the purchaser with the permit required by section 10(c) of this chapter before the sale is consummated.
- However, this requirement does not apply to a mobile home that is offered for sale at auction under IC 9-22-1.5 or IC 9-22-1.7 for the transfer resulting from the auction.



Violation of the Statutes & Class C Infractions

- A person who is engaged to move a mobile home may not do so unless the owner presents him with a permit.
- A person that permits a mobile home to be placed on his land shall report that fact to the assessor within 30 days of the placement.
- The owner of a mobile home shall provide the purchaser with a permit before the sale is consummated.



Violation of the Statutes & Class C Infractions

- A person who fails to comply with any of these statutory requirements has committed a Class C infraction. (IC 6-1.1-7-12; IC 6-1.1-7-13; and IC 6-1.1-7-14)
- A Class C infraction may result in a judgment of up to \$500.



State Board of Accounts FAQ

- Question: A mobile home is moved illegally and there are back taxes owed on it. The statutes state that this is a Class C infraction for any mobile home to be moved or sold without a proper title transfer or moving permit. How would the county treasurer enforce the Class C infraction and what steps would we need to take?



State Board of Accounts FAQ

- Answer: Infractions are enforced by a law enforcement agency. You could contact the sheriff or the prosecuting attorney regarding enforcement.
- Source: The County Bulletin published by the State Board of Accounts, Vol. No. 406, Page 8 October 2017
- http://www.in.gov/sboa/files/cob2017_406.pdf



Frequently Asked Question

- Question: The BMV provides us with an Excel spreadsheet and sometimes it lists the owner's county where he resides and not the county where the mobile home is located. What can be done about this?



Frequently Asked Question

- Answer: The BMV's title records will reflect the owner's legal address and not the address where the mobile home will be located. It is recommended that you use this spreadsheet as a part of your discovery tools since...



Frequently Asked Questions

- Answer (continued): ...since the owner of the land is required to file a Form 1 (Notice of Placement) within thirty (30) days of placement. Information from the Mobile Home Permit can also be helpful. Counties can also work together as they learn that a mobile home is located in another county.



Frequently Asked Question

- Question: Do delinquent taxes on an annually assessed mobile home follow the mobile home to the new owner or stay with the previous owner?



Frequently Asked Question

- Answer: The owner of the mobile home on the assessment date is liable for the taxes per IC 6-1.1-7-7(a).
- Also IC 6-1.1-7-10(c) & (d) states that before title can be transferred and the sale consummated, the taxes must be paid.



Frequently Asked Question

- Answer (continued): IC 6-1.1-7-9 states that the delinquent taxes will be collected in the same manner as personal property.
- IC 6-1.1-23 covers the collection of delinquent personal property taxes and states that the original owner remains liable for the taxes due.



Frequently Asked Question

- Question: How are the property taxes handled on the purchase contract of an annually assessed manufactured home?



Frequently Asked Question

- Answer: IC 9-17-6-17 states that a purchase contract for an annually assessed manufactured home is subject to the following terms and conditions:
- Seller must provide a copy of the title.
- The contract must specify who is responsible for the taxes.
- Buyer must record the contract.



Frequently Asked Question

- Question: If the owner of a real property mobile home (title retired) desires to sell and move that mobile home because he wants to build a house on the property, what would need to be done before the mobile home could be sold or moved?



Frequently Asked Question

- Answer: The Bureau of Motor Vehicles states that the owner would need a court order to transfer the home from real property back to a mobile home. If there is no VIN, one would have to be applied for. Then the owner could file mobile home permits for a transfer of title and to move it.



Frequently Asked Question

- Question: If someone wanted to learn more about the procedures to deal with abandoned mobile homes, where could they go?
- Answer: IC 9-22-1.5 contains the statutes pertaining to abandoned mobile homes.
- Also, the BMV's website contains information for a title application on an abandoned mobile home or applying for a VIN.



Questions



Contact Us

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