



New Assessor Training Mobile Homes

Barry Wood

Assessment Division Director

January 2019



Mobile Home Basics





Assessment of Mobile Homes

- Indiana Code - IC 6-1.1-7 / Taxation of Mobile Homes

<http://www.in.gov/legislative/laws/2018/ic/titles/006/#6-1.1-7>

- Indiana Administrative Code – Article 3.3 / 50 IAC 3.3 Assessment of Mobile Homes

<http://www.in.gov/legislative/iac/T00500/A00033.PDF>



Manufactured Home Defined IC 9-13-2-96

- “Manufactured home” means, except as provided in subsection (b), 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.



Manufactured Home Defined IC 9-13-2-96

- (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.



Manufactured Home Defined IC 9-13-2-96

- (b) “Manufactured home,” for purposes of IC 9-17-6, means either a structure having the meaning set forth in the federal manufactured Housing Construction & Safety Standards Law of 1974 or a mobile home.
- Has the characteristics of a mobile home but was built **after August 22, 1974.**



Mobile Home Defined IC 9-13-2-103.2

- “Mobile home” means a structure that:
 - (1) is assembled in a factory;
 - (2) is transportable;
 - (3) is suitable for use as a dwelling in any season;



Mobile Home Defined IC 9-13-2-103.2

- (4) exceeds thirty-five (35) feet in length;
and
- (5) either bears a seal that certifies that it was built in compliance with federal standards or was built before the federal standards became effective (built before August 22, 1974).



Mobile Home Defined and Manufactured Home Defined

- 50 IAC 3.3-2.3 - “Mobile Home” means:
 1. A dwelling as defined in IC 6-1.1-7-1 (b).
 2. A manufactured home as defined in IC 9-13-2-96.



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.



Annually Assessed Mobile Home Defined

- A mobile home that has a certificate of title issued by the Bureau of Motor Vehicles under IC 9-17-6
- and is **not** on a permanent foundation.
- Reference 50 IAC 3.3-2-2



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 in effect on March 1*, if the mobile home meets the definition given in 50 IAC 3.3-2-4.
 - *Note: With the change in 2016, this should be January 1.



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.



Rule 4 Assessment Dates 50 IAC 3.3-4-1

- An annually assessed mobile home shall be assessed on **January 1 (starting in 2017) 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)



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);



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 15* valuation date; or
- (3) sales data for generally comparable mobile homes.

*Note: Starting in 2017, this changes to January 1.



NADA References

- The NADA 2017 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.



Manufactured Homes IC 9-17-1-0.5 (3)

Certificate of Title Requirement

- Manufactured or mobile homes that are:
 - (A) Personal property not held for resale; or
 - (B) Not attached to real estate by a permanent foundation.



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 BMV may not transfer the title to a mobile home or changes the names on the title unless the owner holds a valid permit to transfer the title from the county treasurer.



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.



Transfer to Real Estate IC 9-17-6-15.5

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.



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. The permit shall state the date it is issued.



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.
- Ind. Code 9-13-2-96 (a) explicitly excludes “park model RV’s” from the definition of “manufactured home.”



Mobile Home Forms

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



Accessing BMV Title Data

- Something new, that the Bureau of Motor Vehicles is offering, is 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: When do the annually assessed mobile home values need to roll to the auditor's office?

Answer: Although there is no statutory deadline, the Department has a file submission deadline in 50 IAC 26-20-6 for the MOBILE and APPEALMH (appeals data for mobile home records) files of "on or before March 1 of the year of assessment and billing."



Frequently Asked Question

Answer (continued): So, this deadline would seem to indicate that the assessor should have the annually assessed mobile home information interfaced to the auditor's office by no later than March 1, and I am sure that the auditor's office would very much appreciate having those values sooner rather than later to help ensure that they can calculate property taxes and do on-time billing.



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.

This clarification was added to the statute during the 2016 Legislative Session under HEA 1087.



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?



Frequently Asked Question

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.



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.



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.



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.



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.



Abandoned Mobile Homes

Question: When there is no bidder at auction, the landowner may be left with the home. If he intends to dispose of the home, he will be able to obtain a title from the BMV using the affidavit of sale or disposal upon payment of the amounts due under IC 9-22-1.7-8(b)(1) – (3). Will he be able to have the delinquent taxes removed?



Abandoned Mobile Homes

Answer: If he can successfully get a waiver under IC 6-1.1-7-15.

- IC 6-1.1-7-15 doesn't provide for a waiver of taxes on every abandoned mobile home – only those that meet the criteria under IC 6-1.1-7-15.



Abandoned Mobile Homes

- There could be a situation where an abandoned mobile home does not sell at auction but also does not qualify for a waiver under IC 6-1.1-7-15. For instance, if the mobile home was abandoned on Joe Smith's parcel, it would not qualify for the waiver since it was not "abandoned in a mobile home community licensed under IC 16-41-27."



Abandoned Mobile Homes

- In regard to how to have the taxes cleared on the county records, I believe the purchaser would have to petition the assessor under IC 6-1.1-7-15 and the assessor would have to determine if the applicant was eligible for a waiver.



Contact Us

- Barry Wood
 - Telephone: 317-232-3762
 - Fax: 317-974-1629
 - E-mail: bwood@dlgf.in.gov
- Website: www.in.gov/dlgf
 - “Contact Us”: www.in.gov/dlgf/2338.htm