

Maddox
Johnson
Flynn

SSB-1215

Ways & Means

Proposed By

SENATE FILE

SF/HF 474

BY (PROPOSED COMMITTEE ON WAYS
AND MEANS BILL BY CHAIR-
PERSON JOHNSON)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the treatment of manufactured housing under
2 the state sales and use taxes, local property taxes, and the
3 requirements for the issuance of a certificate of title.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.1, Code 1999, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 36A. "Manufactured housing" is a factory-
4 built structure constructed under authority of 42 U.S.C. §
5 5403, which is required by federal law to display a seal from
6 the United States department of housing and urban development,
7 and was constructed on or after June 15, 1976.

8 Sec. 2. Section 321.18, subsection 8, Code 1999, is
9 amended to read as follows:

10 8. Any mobile home or manufactured housing.

11 Sec. 3. Section 321.20, unnumbered paragraph 1, Code 1999,
12 is amended to read as follows:

13 Except as provided in this chapter, an owner of a vehicle
14 subject to registration shall make application to the county
15 treasurer, of the county of the owner's residence, or if a
16 nonresident to the county treasurer of the county where the
17 primary users of the vehicle are located, or if a lessor of
18 the vehicle pursuant to chapter 321F which vehicle has a gross
19 vehicle weight of less than ten thousand pounds, to the county
20 treasurer of the county of the lessee's residence, for the
21 registration and issuance of a certificate of title for the
22 vehicle upon the appropriate form furnished by the department.
23 However, upon the transfer of ownership, the owner of a
24 vehicle subject to the proportional registration provisions of
25 chapter 326 shall make application for registration and
26 issuance of a certificate of title to either the department or
27 the appropriate county treasurer. The application shall be
28 accompanied by a fee of ten dollars, and shall bear the
29 owner's signature written with pen and ink. A nonresident
30 owner of two or more vehicles subject to registration may make
31 application for registration and issuance of a certificate of
32 title for all vehicles subject to registration to the county
33 treasurer of the county where the primary user of any of the
34 vehicles is located. The owner of a mobile home or of
35 manufactured housing shall make application for a certificate

1 of title under this section. The application shall contain:

2 Sec. 4. Section 321.24, unnumbered paragraph 1, Code 1999,
3 is amended to read as follows:

4 Upon receipt of the application for title and payment of
5 the required fees for a motor vehicle, trailer, or
6 semitrailer, the county treasurer or the department shall,
7 when satisfied as to the application's genuineness and
8 regularity, and, in the case of a mobile home or manufactured
9 housing, that taxes are not owing under chapter 435, issue a
10 certificate of title and, except for a mobile home or
11 manufactured housing, a registration receipt, and shall file
12 the application, the manufacturer's or importer's certificate,
13 the certificate of title, or other evidence of ownership, as
14 prescribed by the department. The registration receipt shall
15 be delivered to the owner and shall contain upon its face the
16 date issued, the name and address of the owner, the
17 registration number assigned to the vehicle, the title number
18 assigned to the owner of the vehicle, the amount of the fee
19 paid, the amount of tax paid pursuant to section 423.7, the
20 type of fuel used, and a description of the vehicle as
21 determined by the department, and upon the reverse side a form
22 for notice of transfer of the vehicle.

23 Sec. 5. Section 321.30, subsections 10 and 11, Code 1999,
24 are amended to read as follows:

25 10. In the case of a mobile home or manufactured housing,
26 that taxes are owing under chapter 435 for a previous year.

27 11. In the case of a mobile home or manufactured housing
28 converted from real estate, real estate taxes which are
29 delinquent.

30 Sec. 6. Section 321.45, subsection 4, Code 1999, is
31 amended to read as follows:

32 4. A mobile home dealer, as defined in section 322B.2,
33 shall within ~~fifteen~~ thirty days of acquiring a used mobile or
34 manufactured home housing, titled in Iowa, apply for and
35 obtain from the county treasurer of the dealer's county of

1 residence a new certificate of title for the mobile or
2 manufactured home housing.

3 Sec. 7. Section 321.49, subsection 3, Code 1999, is
4 amended to read as follows:

5 3. A mobile home dealer who acquires a used mobile home,
6 titled in Iowa, and who does not apply for and obtain a
7 certificate of title from the county treasurer of the dealer's
8 county of residence within fifteen thirty days of the date of
9 acquisition, as required under section 321.45, subsection 4,
10 is subject to a penalty of ten dollars. A certificate of
11 title shall not be issued to the mobile home dealer until the
12 penalty is paid.

13 Sec. 8. Section 321.101, subsection 8, Code 1999, is
14 amended to read as follows:

15 8. The department shall cancel a certificate of title that
16 appears to have been improperly issued or fraudulently
17 obtained or in the case of a mobile home or manufactured
18 housing, if taxes were owing under chapter 435 at the time the
19 certificate was issued and have not been paid. However,
20 before the certificate to a mobile home or manufactured
21 housing where taxes were owing can be canceled, notice and
22 opportunity to pay the taxes must be given to the person to
23 whom the certificate was issued. Upon cancellation of any
24 certificate of title the department shall notify the county
25 treasurer who issued it, who shall enter the cancellation upon
26 the records. The department shall also notify the person to
27 whom the certificate of title was issued, as well as any
28 lienholders appearing thereon, of the cancellation and shall
29 demand the surrender of the certificate of title, but the
30 cancellation shall not affect the validity of any lien noted
31 thereon.

32 Sec. 9. Section 322B.6, subsection 6, Code 1999, is
33 amended to read as follows:

34 6. Failing to apply for and obtain from a county treasurer
35 a certificate of title for a used mobile home, titled in Iowa,

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1 acquired by the dealer within ~~fifteen~~ thirty days from the
2 date of acquisition, as required under section 321.45,
3 subsection 4.

4 Sec. 10. Section 423.1, subsection 1, Code 1999, is
5 amended to read as follows:

6 1. "Certificate of title" means a certificate of title
7 issued for a vehicle or for manufactured housing under chapter
8 321.

9 Sec. 11. Section 423.1, Code 1999, is amended by adding
10 the following new subsections:

11 NEW SUBSECTION. 2A. "Installed purchase price" is the
12 amount charged, valued in money whether paid in money or
13 otherwise, by a building contractor to convert manufactured
14 housing from tangible personal property into realty.

15 "Installed purchase price" includes, but is not limited to,
16 amounts charged for installing a foundation and electrical and
17 plumbing hookups. "Installed purchase price" excludes any
18 amount charged for landscaping in connection with the
19 conversion.

20 NEW SUBSECTION. 2B. "Manufactured housing" means the same
21 as defined in section 321.1.

22 Sec. 12. Section 423.1, subsection 12, Code 1999, is
23 amended to read as follows:

24 12. "Use" means and includes the exercise by any person of
25 any right or power over tangible personal property incident to
26 the ownership of that property, except that it shall not
27 include processing, or the sale of that property in the
28 regular course of business. Property used in "processing"
29 within the meaning of this subsection shall mean and include
30 ~~(a)~~ any of the following:

31 a. Any tangible personal property including containers
32 which it is intended shall, by means of fabrication,
33 compounding, manufacturing, or germination, become an integral
34 part of other tangible personal property intended to be sold
35 ultimately at retail, and containers used in the collection,

1 recovery or return of empty beverage containers subject to
2 chapter 455C~~7-or-(b)-fuel~~.

3 b. Fuel which is consumed in creating power, heat, or
4 steam for processing or for generating electric current~~7-or~~
5 ~~(c)-chemicals~~.

6 c. Chemicals, solvents, sorbents, or reagents, which are
7 directly used and are consumed, dissipated, or depleted in
8 processing personal property, which is intended to be sold
9 ultimately at retail, and which may not become a component or
10 integral part of the finished product.

11 PARAGRAPH DIVIDED. The distribution to the public of free
12 newspapers or shoppers guides shall be deemed a retail sale
13 for purposes of the processing exemption. A retailer's or
14 building contractor's sale of manufactured housing for use in
15 this state, whether in the form of tangible personal property
16 or of realty, is a use of that property for the purposes of
17 this chapter.

18 Sec. 13. Section 423.2, Code 1999, is amended to read as
19 follows:

20 423.2 IMPOSITION OF TAX.

21 An excise tax is imposed on the use in this state of
22 tangible personal property purchased for use in this state, at
23 the rate of five percent of the purchase price of the
24 property. An excise tax is imposed on the use of manufactured
25 housing in this state at the rate of five percent of the
26 purchase price if the manufactured housing is sold in the form
27 of tangible personal property and at the rate of five percent
28 of the installed purchase price if the manufactured housing is
29 sold in the form of realty. An excise tax is imposed on the
30 use of leased vehicles at the rate of five percent of the
31 amount otherwise subject to tax as calculated pursuant to
32 section 423.7A. The excise tax is imposed upon every person
33 using the property within this state until the tax has been
34 paid directly to the county treasurer or the state department
35 of transportation, to a retailer, or to the department. An

1 excise tax is imposed on the use in this state of services
 2 enumerated in section 422.43 at the rate of five percent.
 3 This tax is applicable where services are rendered, furnished,
 4 or performed in this state or where the product or result of
 5 the service is used in this state. This tax is imposed on
 6 every person using the services or the product of the services
 7 in this state until the user has paid the tax either to an
 8 Iowa use tax permit holder or to the department.

9 Sec. 14. Section 423.4, subsections 11 and 12, Code 1999,
 10 are amended to read as follows:

11 11. Mobile homes and manufactured housing the use of which
 12 has previously been subject to the tax imposed under this
 13 chapter and for which that tax has been paid.

14 12. Mobile homes to the extent of the portion of the
 15 purchase price of the mobile home which is not attributable to
 16 the cost of the tangible personal property used in the
 17 processing of the mobile home and manufactured housing to the
 18 extent of the purchase price or the installed purchase price
 19 of the manufactured housing which is not attributable to the
 20 cost of the tangible personal property used in the processing
 21 of the manufactured housing. For purposes of this exemption,
 22 the portion of the purchase price which is not attributable to
 23 the cost of the tangible personal property used in the
 24 processing of the mobile home is forty percent and the portion
 25 of the purchase price or installed purchase price which is not
 26 attributable to the cost of the tangible personal property
 27 used in the processing of the manufactured housing is forty
 28 percent.

29 Sec. 15. Section 423.6, subsection 1, Code 1999, is
 30 amended to read as follows:

31 1. The tax upon the use of all vehicles subject to
 32 registration or subject only to the issuance of a certificate
 33 of title or the tax upon the use of manufactured housing shall
 34 be collected by the county treasurer or the state department
 35 of transportation pursuant to sections 423.7 and 423.7A. The

1 county treasurer shall retain one dollar from each tax payment
2 collected, to be credited to the county general fund.

3 Sec. 16. Section 423.7, Code 1999, is amended to read as
4 follows:

5 423.7 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE
6 ISSUANCE OF TITLE.

7 The tax imposed upon the use of vehicles subject to
8 registration or subject only to the issuance of a certificate
9 of title or imposed upon the use of manufactured housing shall
10 be paid by the owner of the vehicle or of the manufactured
11 housing to the county treasurer or the state department of
12 transportation from whom the registration receipt or
13 certificate of title is obtained. A registration receipt for
14 a vehicle subject to registration or certificate of title
15 shall not be issued until the tax has been paid. The county
16 treasurer or the state department of transportation shall
17 require every applicant for a registration receipt for a
18 vehicle subject to registration or certificate of title to
19 supply information as the county treasurer or the director
20 deems necessary as to the time of purchase, the purchase
21 price, installed purchase price, and other information
22 relative to the purchase of the vehicle or manufactured
23 housing. On or before the tenth day of each month the county
24 treasurer or the state department of transportation shall
25 remit to the department the amount of the taxes collected
26 during the preceding month.

27 Sec. 17. Section 435.23, Code 1999, is amended to read as
28 follows:

29 435.23 EXEMPTIONS -- PRORATING TAX.

30 The manufacturer's and dealer's inventory of mobile homes,
31 manufactured homes, or modular homes not in use as a place of
32 human habitation shall be exempt from the annual tax. All
33 travel trailers shall be exempt from this tax. The homes and
34 travel trailers in the inventory of manufacturers and dealers
35 shall be exempt from personal property tax. The homes coming

1 into Iowa from out of state and located in a mobile home park
 2 shall be liable for the tax computed pro rata to the nearest
 3 whole month, for the time the home is actually situated in
 4 Iowa. For purposes of this section, homes in the inventory of
 5 manufacturers and dealers include homes located in a land
 6 lease community or mobile home park which have not been sold
 7 by the dealer and which are not being used as a place of human
 8 habitation.

9 EXPLANATION

10 The bill deals with the treatment of manufactured housing
 11 under the state sales and use taxes, local property taxes, and
 12 the requirements for issuance of a title. Manufactured
 13 housing is a factory-built structure constructed under federal
 14 standards on or after June 15, 1976, which is required to
 15 display a seal from the U.S. department of housing and urban
 16 development. The bill specifically states that manufactured
 17 housing is subject only to a certificate of title which is its
 18 present status. The bill provides that a certificate of title
 19 must be applied for within 30 days of acquisition which is an
 20 increase from the present 15 days. The bill provides that the
 21 sale of manufactured housing for use in this state is subject
 22 to the state use tax. The 5 percent use tax rate is applied
 23 to the purchase price of the manufactured housing if sold in
 24 the form of tangible personal property or is applied to the
 25 installed purchase price if sold in the form of realty.
 26 Installed purchase price includes the charge for installing a
 27 foundation and electrical and plumbing hookups in addition to
 28 the purchase price. There is an exemption for 40 percent of
 29 the purchase price or installed purchase price which is not
 30 attributable to costs of the tangible personal property, e.g.
 31 labor costs. In addition, the use tax is to be paid to the
 32 county treasurer or the state department of transportation
 33 from whom the certificate of title was obtained. The bill
 34 also provides that for property tax purposes, manufactured
 35 homes and mobile homes are considered in a dealer's inventory

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1 and therefore not subject to tax if located in a land lease
2 community or mobile home park and if not used for human
3 habitation.

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LSB 2470SC 78
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Substituted for by HF 770

*4-27-99
(P. 1333)*

FILED APR 15 1999

SENATE FILE

474

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1215)

WITHDRAWN

4-27-99

(P. 1333)

Passed Senate, Date _____

Passed House, Date _____

Vote: Ayes _____ Nays _____

Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the treatment of manufactured housing under
2 the state sales and use taxes and the requirements for the
3 issuance of a certificate of title.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 321.1, Code 1999, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 36A. "Manufactured housing" is a factory-
4 built structure constructed under authority of 42 U.S.C. §
5 5403, which is required by federal law to display a seal from
6 the United States department of housing and urban development,
7 and was constructed on or after June 15, 1976.

8 Sec. 2. Section 321.18, subsection 8, Code 1999, is
9 amended to read as follows:

10 8. Any mobile home or manufactured housing.

11 Sec. 3. Section 321.20, unnumbered paragraph 1, Code 1999,
12 is amended to read as follows:

13 Except as provided in this chapter, an owner of a vehicle
14 subject to registration shall make application to the county
15 treasurer, of the county of the owner's residence, or if a
16 nonresident to the county treasurer of the county where the
17 primary users of the vehicle are located, or if a lessor of
18 the vehicle pursuant to chapter 321F which vehicle has a gross
19 vehicle weight of less than ten thousand pounds, to the county
20 treasurer of the county of the lessee's residence, for the
21 registration and issuance of a certificate of title for the
22 vehicle upon the appropriate form furnished by the department.
23 However, upon the transfer of ownership, the owner of a
24 vehicle subject to the proportional registration provisions of
25 chapter 326 shall make application for registration and
26 issuance of a certificate of title to either the department or
27 the appropriate county treasurer. The application shall be
28 accompanied by a fee of ten dollars, and shall bear the
29 owner's signature written with pen and ink. A nonresident
30 owner of two or more vehicles subject to registration may make
31 application for registration and issuance of a certificate of
32 title for all vehicles subject to registration to the county
33 treasurer of the county where the primary user of any of the
34 vehicles is located. The owner of a mobile home or of
35 manufactured housing shall make application for a certificate

1 of title under this section. The application shall contain:
2 Sec. 4. Section 321.24, unnumbered paragraph 1, Code 1999,
3 is amended to read as follows:

4 Upon receipt of the application for title and payment of
5 the required fees for a motor vehicle, trailer, or
6 semitrailer, the county treasurer or the department shall,
7 when satisfied as to the application's genuineness and
8 regularity, and, in the case of a mobile home or manufactured
9 housing, that taxes are not owing under chapter 435, issue a
10 certificate of title and, except for a mobile home or
11 manufactured housing, a registration receipt, and shall file
12 the application, the manufacturer's or importer's certificate,
13 the certificate of title, or other evidence of ownership, as
14 prescribed by the department. The registration receipt shall
15 be delivered to the owner and shall contain upon its face the
16 date issued, the name and address of the owner, the
17 registration number assigned to the vehicle, the title number
18 assigned to the owner of the vehicle, the amount of the fee
19 paid, the amount of tax paid pursuant to section 423.7, the
20 type of fuel used, and a description of the vehicle as
21 determined by the department, and upon the reverse side a form
22 for notice of transfer of the vehicle.

23 Sec. 5. Section 321.30, subsections 10 and 11, Code 1999,
24 are amended to read as follows:

25 10. In the case of a mobile home or manufactured housing,
26 that taxes are owing under chapter 435 for a previous year.

27 11. In the case of a mobile home or manufactured housing
28 converted from real estate, real estate taxes which are
29 delinquent.

30 Sec. 6. Section 321.45, subsection 4, Code 1999, is
31 amended to read as follows:

32 4. A mobile home dealer, as defined in section 322B.2,
33 shall within ~~fifteen~~ thirty days of acquiring a used mobile
34 home or manufactured home housing, titled in Iowa, apply for
35 and obtain from the county treasurer of the dealer's county of

1 residence a new certificate of title for the mobile home or
2 manufactured home housing.

3 Sec. 7. Section 321.49, subsection 3, Code 1999, is
4 amended to read as follows:

5 3. A mobile home dealer who acquires a used mobile home,
6 titled in Iowa, and who does not apply for and obtain a
7 certificate of title from the county treasurer of the dealer's
8 county of residence within fifteen thirty days of the date of
9 acquisition, as required under section 321.45, subsection 4,
10 is subject to a penalty of ten dollars. A certificate of
11 title shall not be issued to the mobile home dealer until the
12 penalty is paid.

13 Sec. 8. Section 321.101, subsection 8, Code 1999, is
14 amended to read as follows:

15 8. The department shall cancel a certificate of title that
16 appears to have been improperly issued or fraudulently
17 obtained or in the case of a mobile home or manufactured
18 housing, if taxes were owing under chapter 435 at the time the
19 certificate was issued and have not been paid. However,
20 before the certificate to a mobile home or manufactured
21 housing where taxes were owing can be canceled, notice and
22 opportunity to pay the taxes must be given to the person to
23 whom the certificate was issued. Upon cancellation of any
24 certificate of title the department shall notify the county
25 treasurer who issued it, who shall enter the cancellation upon
26 the records. The department shall also notify the person to
27 whom the certificate of title was issued, as well as any
28 lienholders appearing thereon, of the cancellation and shall
29 demand the surrender of the certificate of title, but the
30 cancellation shall not affect the validity of any lien noted
31 thereon.

32 Sec. 9. Section 322B.6, subsection 6, Code 1999, is
33 amended to read as follows:

34 6. Failing to apply for and obtain from a county treasurer
35 a certificate of title for a used mobile home, titled in Iowa,

1 acquired by the dealer within ~~fifteen~~ thirty days from the
2 date of acquisition, as required under section 321.45,
3 subsection 4.

4 Sec. 10. Section 423.1, subsection 1, Code 1999, is
5 amended to read as follows:

6 1. "Certificate of title" means a certificate of title
7 issued for a vehicle or for manufactured housing under chapter
8 321.

9 Sec. 11. Section 423.1, Code 1999, is amended by adding
10 the following new subsections:

11 NEW SUBSECTION. 2A. "Installed purchase price" is the
12 amount charged, valued in money whether paid in money or
13 otherwise, by a building contractor to convert manufactured
14 housing from tangible personal property into realty.

15 "Installed purchase price" includes, but is not limited to,
16 amounts charged for installing a foundation and electrical and
17 plumbing hookups. "Installed purchase price" excludes any
18 amount charged for landscaping in connection with the
19 conversion.

20 NEW SUBSECTION. 2B. "Manufactured housing" means the same
21 as defined in section 321.1.

22 Sec. 12. Section 423.1, subsection 12, Code 1999, is
23 amended to read as follows:

24 12. "Use" means and includes the exercise by any person of
25 any right or power over tangible personal property incident to
26 the ownership of that property, except that it shall not
27 include processing, or the sale of that property in the
28 regular course of business. Property used in "processing"
29 within the meaning of this subsection shall mean and include
30 ~~(a)~~ any of the following:

31 a. Any tangible personal property including containers
32 which it is intended shall, by means of fabrication,
33 compounding, manufacturing, or germination, become an integral
34 part of other tangible personal property intended to be sold
35 ultimately at retail, and containers used in the collection,

1 recovery or return of empty beverage containers subject to
2 chapter 455C~~7-or-(b)-fuel~~.

3 b. Fuel which is consumed in creating power, heat, or
4 steam for processing or for generating electric current~~7-or~~
5 ~~(c)-chemicals~~7.

6 c. Chemicals, solvents, sorbents, or reagents, which are
7 directly used and are consumed, dissipated, or depleted in
8 processing personal property, which is intended to be sold
9 ultimately at retail, and which may not become a component or
10 integral part of the finished product.

11 PARAGRAPH DIVIDED. The distribution to the public of free
12 newspapers or shoppers guides shall be deemed a retail sale
13 for purposes of the processing exemption. A retailer's or
14 building contractor's sale of manufactured housing for use in
15 this state, whether in the form of tangible personal property
16 or of realty, is a use of that property for the purposes of
17 this chapter.

18 Sec. 13. Section 423.2, Code 1999, is amended to read as
19 follows:

20 423.2 IMPOSITION OF TAX.

21 An excise tax is imposed on the use in this state of
22 tangible personal property purchased for use in this state, at
23 the rate of five percent of the purchase price of the
24 property. An excise tax is imposed on the use of manufactured
25 housing in this state at the rate of five percent of the
26 purchase price if the manufactured housing is sold in the form
27 of tangible personal property and at the rate of five percent
28 of the installed purchase price if the manufactured housing is
29 sold in the form of realty. An excise tax is imposed on the
30 use of leased vehicles at the rate of five percent of the
31 amount otherwise subject to tax as calculated pursuant to
32 section 423.7A. The excise tax is imposed upon every person
33 using the property within this state until the tax has been
34 paid directly to the county treasurer or the state department
35 of transportation, to a retailer, or to the department. An

1 excise tax is imposed on the use in this state of services
2 enumerated in section 422.43 at the rate of five percent.
3 This tax is applicable where services are rendered, furnished,
4 or performed in this state or where the product or result of
5 the service is used in this state. This tax is imposed on
6 every person using the services or the product of the services
7 in this state until the user has paid the tax either to an
8 Iowa use tax permit holder or to the department.

9 Sec. 14. Section 423.4, subsections 11 and 12, Code 1999,
10 are amended to read as follows:

11 11. Mobile homes and manufactured housing the use of which
12 has previously been subject to the tax imposed under this
13 chapter and for which that tax has been paid.

14 12. Mobile homes to the extent of the portion of the
15 purchase price of the mobile home which is not attributable to
16 the cost of the tangible personal property used in the
17 processing of the mobile home and manufactured housing to the
18 extent of the purchase price or the installed purchase price
19 of the manufactured housing which is not attributable to the
20 cost of the tangible personal property used in the processing
21 of the manufactured housing. For purposes of this exemption,
22 the portion of the purchase price which is not attributable to
23 the cost of the tangible personal property used in the
24 processing of the mobile home is forty percent and the portion
25 of the purchase price or installed purchase price which is not
26 attributable to the cost of the tangible personal property
27 used in the processing of the manufactured housing is forty
28 percent.

29 Sec. 15. Section 423.6, subsection 1, Code 1999, is
30 amended to read as follows:

31 1. The tax upon the use of all vehicles subject to
32 registration or subject only to the issuance of a certificate
33 of title or the tax upon the use of manufactured housing shall
34 be collected by the county treasurer or the state department
35 of transportation pursuant to sections 423.7 and 423.7A. The

1 county treasurer shall retain one dollar from each tax payment
2 collected, to be credited to the county general fund.

3 Sec. 16. Section 423.7, Code 1999, is amended to read as
4 follows:

5 423.7 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE
6 ISSUANCE OF TITLE.

7 The tax imposed upon the use of vehicles subject to
8 registration or subject only to the issuance of a certificate
9 of title or imposed upon the use of manufactured housing shall
10 be paid by the owner of the vehicle or of the manufactured
11 housing to the county treasurer or the state department of
12 transportation from whom the registration receipt or
13 certificate of title is obtained. A registration receipt for
14 a vehicle subject to registration or certificate of title
15 shall not be issued until the tax has been paid. The county
16 treasurer or the state department of transportation shall
17 require every applicant for a registration receipt for a
18 vehicle subject to registration or certificate of title to
19 supply information as the county treasurer or the director
20 deems necessary as to the time of purchase, the purchase
21 price, installed purchase price, and other information
22 relative to the purchase of the vehicle or manufactured
23 housing. On or before the tenth day of each month the county
24 treasurer or the state department of transportation shall
25 remit to the department the amount of the taxes collected
26 during the preceding month.

27 EXPLANATION

28 The bill deals with the treatment of manufactured housing
29 under the state sales and use taxes and the requirements for
30 issuance of a title. Manufactured housing is a factory-built
31 structure constructed under federal standards on or after June
32 15, 1976, which is required to display a seal from the U.S.
33 department of housing and urban development. The bill
34 specifically states that manufactured housing is subject only
35 to a certificate of title which is its present status. The

1 bill provides that a certificate of title must be applied for
2 within 30 days of acquisition which is an increase from the
3 present 15 days. The bill provides that the sale of
4 manufactured housing for use in this state is subject to the
5 state use tax. The 5 percent use tax rate is applied to the
6 purchase price of the manufactured housing if sold in the form
7 of tangible personal property or is applied to the installed
8 purchase price if sold in the form of realty. Installed
9 purchase price includes the charge for installing a foundation
10 and electrical and plumbing hookups in addition to the
11 purchase price. There is an exemption for 40 percent of the
12 purchase price or installed purchase price which is not
13 attributable to costs of the tangible personal property, e.g.
14 labor costs. In addition, the use tax is to be paid to the
15 county treasurer or the state department of transportation
16 from whom the certificate of title was obtained.

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SENATE FILE 474

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1 Amend Senate File 474 as follows:

2 1. Page 2, lines 2 and 3, by striking the words
3 and figures "paragraph 1, Code 1999, is" and inserting
4 the following: "paragraphs 1 and 6, Code 1999, are".

5 2. Page 2, by inserting after line 22 the
6 following:

7 "The certificate shall bear the seal of the county
8 treasurer or of the department, and the signature of
9 the county treasurer, the deputy county treasurer, or
10 the department director or deputy designee. The
11 certificate shall provide space for the signature of
12 the owner. The owner shall sign the certificate of
13 title in the space provided with pen and ink upon its
14 receipt. The certificate of title shall contain upon
15 the reverse side a form for assignment of title or
16 interest and warranty by the owner, for reassignments
17 by a dealer licensed in this state or in another state
18 if the state in which the dealer is licensed permits
19 Iowa licensed dealers to similarly reassign
20 certificates of title. Attached to the certificate of
21 title shall be an application for a new certificate of
22 title by the transferee as provided in this chapter.
23 However, titles for mobile homes or manufactured
24 housing shall not be reassigned by licensed dealers.

25 All certificates of title shall be typewritten or
26 printed by other mechanical means. Notwithstanding
27 section 321.1, subsection 17, as used in this
28 paragraph "dealer" means every person engaged in the
29 business of buying, selling, or exchanging vehicles of
30 a type required to be registered under this chapter."

31 3. Page 2, by inserting after line 29 the
32 following:

33 "Sec. _____. Section 321.45, subsection 1,
34 unnumbered paragraph 2, Code 1999, is amended to read
35 as follows:

36 For each new mobile home, manufactured housing,
37 travel trailer and camping trailer said manufacturer's
38 or importer's certificate shall also contain thereon
39 the exterior length and exterior width of said vehicle
40 not including any area occupied by any hitching
41 device, and the manufacturer's shipping weight."

42 4. Page 3, by inserting after line 2 the
43 following:

44 "Sec. _____. Section 321.46, subsection 2, Code
45 1999, is amended to read as follows:

46 2. Upon filing the application for a new
47 registration and a new title, the applicant shall pay
48 a title fee of ten dollars and a registration fee
49 prorated for the remaining unexpired months of the
50 registration year. However, no title fee shall be

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1 charged to a mobile home dealer applying for a
2 certificate of title for a used mobile home or
3 manufactured housing, titled in Iowa, as required
4 under section 321.45, subsection 4. The county
5 treasurer, if satisfied of the genuineness and
6 regularity of the application, and in the case of a
7 mobile home or manufactured housing, that taxes are
8 not owing under chapter 435, and that applicant has
9 complied with all the requirements of this chapter,
10 shall issue a new certificate of title and, except for
11 a mobile home or manufactured housing, a registration
12 card to the purchaser or transferee, shall cancel the
13 prior registration for the vehicle, and shall forward
14 the necessary copies to the department on the date of
15 issuance, as prescribed in section 321.24. Mobile
16 homes or manufactured housing titled under chapter 448
17 that have been subject under section 446.18 to a
18 public bidder sale in a county, shall be titled in the
19 county's name, with no fee and the county treasurer
20 shall issue the title."

21 5. Page 3, line 6, by inserting before the word
22 "titled" the following: "or manufactured housing".

23 6. Page 3, by inserting after line 12 the
24 following:

25 "Sec. _____. Section 321.50, subsection 1, Code
26 1999, is amended to read as follows:

27 1. A security interest in a vehicle subject to
28 registration under the laws of this state or a mobile
29 home or manufactured housing, except trailers whose
30 empty weight is two thousand pounds or less, and
31 except new or used vehicles held by a dealer or
32 manufacturer as inventory for sale, is perfected by
33 the delivery to the county treasurer of the county
34 where the certificate of title was issued or, in the
35 case of a new certificate, to the county treasurer
36 where the certificate will be issued, of an
37 application for certificate of title which lists the
38 security interest, or an application for notation of
39 security interest signed by the owner, or by one owner
40 of a vehicle owned jointly by more than one person, or
41 a certificate of title from another jurisdiction which
42 shows the security interest, and a fee of five dollars
43 for each security interest shown. If the owner or
44 secured party is in possession of the certificate of
45 title, it must also be delivered at this time in order
46 to perfect the security interest. If a vehicle is
47 subject to a security interest when brought into this
48 state, the validity of the security interest and the
49 date of perfection is determined by section 554.9103.
50 Delivery as provided in this subsection is an

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1 indication of a security interest on a certificate of
2 title for purposes of chapter 554.

3 Sec. _____. Section 321.57, unnumbered paragraph 5,
4 Code 1999, is amended to read as follows:

Mobile home dealers licensed under chapter 322B may
transport and deliver mobile homes or manufactured
7 housing in their inventory upon the highways of this
8 state with a special plate displayed on the mobile
9 home or manufactured housing as provided in sections
10 321.58 to 321.62."

11 7. Page 3, by inserting after line 31 the
12 following:

13 "Sec. _____. Section 321.104, subsection 6, Code
14 1999, is amended to read as follows:

15 6. For a dealer to sell or transfer a mobile home
16 or manufactured housing without delivering to the
17 purchaser or transferee a certificate of title or a
18 manufacturer's or importer's certificate properly
19 assigned to the purchaser, or to transfer a mobile
20 home or manufactured housing without disclosing to the
21 purchaser the owner of the mobile home or manufactured
22 housing in a manner prescribed by the department
23 pursuant to rules, or to fail to certify within seven
24 days to the proper county treasurer the information
25 required under section 321.45, subsection 4, or to
26 fail to apply for and obtain a certificate of title
27 for a used mobile home or manufactured housing, titled
28 in Iowa, acquired by the dealer within fifteen thirty
29 days from the date of acquisition as required under
section 321.45, subsection 4.

Sec. _____. Section 321.123, unnumbered paragraph 1,
32 Code 1999, is amended to read as follows:

33 All trailers except farm trailers, and mobile
34 homes, and manufactured housing, unless otherwise
35 provided in this section, are subject to a
36 registration fee of ten dollars. Trailers for which
37 the empty weight is two thousand pounds or less are
38 exempt from the certificate of title and lien
39 provisions of this chapter. Fees collected under this
40 section shall not be reduced or prorated under chapter
41 326.

42 Sec. _____. Section 322B.2, subsection 3, Code 1999,
43 is amended to read as follows:

44 3. "Mobile home" means a structure, transportable
45 in one or more sections, which exceeds eight feet in
46 width and thirty-two feet in length, and which is
47 built on a permanent chassis and designed to be used
48 as a dwelling with or without a permanent foundation
49 when connected to one or more utilities. "Mobile
50 home" also includes "manufactured home housing" as the
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1 term is defined in section ~~435-1~~ 321.1."

By O. GENE MADDOX