

BILL ANALYSIS

Senate Research Center

H.B. 3197
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Finance
5/13/1999
Committee Report (Amended)

DIGEST

The 75th Texas Legislature passed legislation which implemented a new system of valuing retail manufactured housing inventories. This legislation defined “manufactured home” and “mobile home” as those terms are defined in Article 5221f, V.T.C.S., as a HUD-code manufactured home or a mobile home. Since the effective date of that legislation, questions have arisen regarding the ad valorem taxation of other items that are often included with the sale of a manufactured home. H.B. 3197 would set forth provisions for the appraisal and ad valorem taxation of retail manufactured housing inventory.

PURPOSE

As proposed, H.B. 3197 sets forth provisions for the appraisal and ad valorem taxation of retail manufactured housing inventory.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 23.127(a), (e), and (h), to define “HUD-code manufactured home,” “manufactured housing,” “mobile home,”; to redefine “retail manufactured housing inventory,” “retailer,” “retailer-financed sale,” “sales price,” “subsequent sale,” and “total annual sales”; and to delete the existing definition of “manufactured home.” Provides that a retailer is presumed to be an owner of a retail manufactured housing inventory on January 1 if, in the 12-month period ending on December 31 of the immediately preceding year, the retailer sold a unit of manufactured housing to a person other than a retailer. Provides that the presumption in this section is not rebutted by the fact that a retailer does not have any units of manufactured housing physically on hand for sale from the retail manufactured housing inventory on January 1. Makes conforming changes.

SECTION 2. Amends Sections 23.128(a), (b), (e), (f), and (g), Tax Code, to provide that the unit property tax of each unit of manufactured housing is determined by multiplying the sales price of the unit, rather than manufactured home, by the unit property tax factor. Deletes the definition of “manufactured home.” Makes conforming changes.

SECTION 3. Amends Sections 23.128(h) and (i), Tax Code, to prohibit the assessment of penalties or interest against an owner for certain property taxes which are not delivered or are deficient.

SECTION 4. Effective date for Sections 1 and 2 of this Act: January 1, 2000. Makes application of these sections prospective.
Effective date for Section 3 of this Act: September 1, 1999.

SECTION 5. Emergency clause.