

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 883

Short Title: Manufactured Home Property Tax.

(Public)

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Sponsors: Senator Shaw of Cumberland.

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Referred to: Finance.

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April 15, 1997

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE A PROCEDURE FOR LIENHOLDERS ON  
2 MANUFACTURED HOMES TO REGISTER FOR NOTIFICATION OF  
3 DELINQUENT PROPERTY TAXES ON THE HOMES AND, ONCE  
4 REGISTERED, TO BE ABLE TO REPOSSESS A HOME BY PAYING NO MORE  
5 THAN TWO YEARS' PROPERTY TAXES.  
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 105-316.4 reads as rewritten:

9 "**§ 105-316.4. Issuance of permits under repossession. Special rules for lienholders**  
10 **repossessing mobile homes.**

11 (a) Requirements for Permit. – A person who intends to take possession of a  
12 mobile home as the holder of a lien on the home must notify the tax collector of the  
13 location to which the home is to be taken. The tax collector must then give the lienholder  
14 a statement of taxes due only on the mobile home. If the lienholder has not filed a  
15 continuing request for notice of delinquent taxes as set out in subsection (b) of this  
16 section, the lienholder must pay all unpaid taxes on the mobile home before obtaining a  
17 permit and repossessing the home. If the lienholder has filed a continuing request for  
18 notice of delinquent taxes as set out in subsection (b) of this section, the lienholder may  
19 obtain a permit by paying the applicable amount provided in subsection (c) by the

1 deadline provided in subsection (d). The tax collector must issue a permit to a lienholder  
2 who complies with the requirements of this section.

3 (b) Continuing Request for Notice. – A lienholder may file with the tax collector a  
4 continuing request to be notified of taxes on a mobile home that become delinquent. A  
5 request for a mobile home that is financed on or after July 1, 1997, must be filed within  
6 six months after a new certificate of title is issued or the lien is recorded on an existing  
7 certificate of title. A request for a mobile home that was financed before July 1, 1997,  
8 may be filed only if no delinquent taxes are owed on the mobile home.

9 A request for notice must be in writing and must include all of the following  
10 information:

11 (1) The name and mailing address of the lienholder.

12 (2) The name and mailing address of the owner of the mobile home.

13 (3) The address where the mobile home is located.

14 (4) The serial number, year, make, model, and dimensions of the mobile  
15 home.

16 After a lienholder files a request, the tax collector may notify the lienholder of taxes  
17 on the mobile home that become delinquent. In addition, when the lienholder requests a  
18 permit, the tax collector must give the lienholder a statement of taxes due on the mobile  
19 home as provided in subsection (a) of this section.

20 (c) Amount Payable. – To obtain a permit, a lienholder who has filed a request  
21 under subsection (b) of this section must pay the current year's property taxes on the  
22 mobile home. In addition, if the tax collector has notified the lienholder of any  
23 delinquent taxes on the mobile home within six months after they became delinquent, the  
24 lienholder must pay the delinquent taxes for the year preceding the current tax year.

25 (d) When Taxes Payable. – A resident lienholder who filed a request under  
26 subsection (b) of this section must pay the taxes due under subsection (c) within seven  
27 days after the permit is issued. A nonresident lienholder who filed a request under  
28 subsection (b) of this section must pay the taxes due under subsection (c) before the  
29 permit is issued. A lienholder who has not filed a request under subsection (b) of this  
30 section must pay all taxes due on the mobile home as provided in subsection (a) before  
31 the permit is issued.

32 (e) Effect of Payment. – After a lienholder has paid the amount of taxes required  
33 by this section, the mobile home is no longer subject to levy or attachment of any lien for  
34 any other taxes then owed by the owner of the mobile home, whether or not previously  
35 determined.

36 ~~Notwithstanding the provisions of G.S. 105-316.2(a) and 105-316.3(a), above, any person~~  
37 ~~who intends to take possession of a mobile home, whether by judicial or nonjudicial~~  
38 ~~authority, as a holder of a lien on said mobile home shall apply for, and be issued, the~~  
39 ~~permit herein provided without paying all taxes due to be paid by the owner of the mobile~~  
40 ~~home being repossessed, upon notifying the tax collector of the location in North~~  
41 ~~Carolina to which the mobile home is to be taken. At the time of notification the tax~~  
42 ~~collector shall render to the holder of the lien a statement of taxes due against only the~~

1 mobile home. Within seven days of the issuance of the permit the applicant shall pay to  
2 the tax collector the taxes due as set forth in the statement.

3 Notwithstanding the foregoing, any applicant who is a nonresident of North Carolina  
4 must pay the taxes due as set forth above at the time of notification to the tax collector  
5 and application for the permit.

6 Upon issuance of the permit and the payment of any taxes as prescribed herein, the  
7 mobile home shall no longer be subject to levy or attachment of any lien for any other  
8 taxes then owed by the owner thereof, whether or not previously determined."

9 Section 2. G.S. 105-316.2 reads as rewritten:

10 **"§ 105-316.2. Requirements for obtaining permit. a permit to move a mobile home.**

11 (a) Scope. – This section applies to a person who wants to obtain a permit to move  
12 a mobile home and is not a lienholder. G.S. 105-316.4 applies to a lienholder who wants  
13 to obtain a permit to move a mobile home.

14 (a1) Taxes. ~~In order to obtain the permits herein provided, persons other than~~  
15 ~~manufacturers and retailers of mobile homes shall be required to (i) pay~~ To obtain a  
16 permit, a person must do one of the following:

17 (1) Pay all taxes due to be paid by the owner of the mobile home to the  
18 county or to any other taxing unit therein; or (ii) show located in the  
19 county. Any taxes that have not yet been computed but will become  
20 due during the current calendar year shall be determined as in the case  
21 of prepayments.

22 (2) Show proof to the tax collector that no taxes are due to be paid; or (iii)  
23 demonstrate on the mobile home.

24 (3) Demonstrate to the tax collector that the removal of the mobile home  
25 will not jeopardize the collection of any taxes due or to become due to  
26 the county or to any taxing unit therein. located in the county.

27 (b) Information. ~~In addition to complying with the provisions of subsection (a)~~  
28 ~~above, owners of mobile homes required to obtain the permits herein provided shall also~~  
29 To obtain a permit, a person must furnish all of the following information to the tax  
30 collector:

31 (1) The name and address of the ~~owner,~~ owner of the mobile home.

32 (2) The address or location of the premises from which the mobile home is  
33 to be ~~moved,~~ moved.

34 (3) The address or location of the place to which the mobile home is to be  
35 ~~moved,~~ and moved.

36 (4) The name and address of the carrier who is to transport the mobile  
37 home."

38 Section 3. G.S. 105-316.3 reads as rewritten:

39 **"§ 105-316.3. Issuance of permits.**

40 (a) ~~Except as otherwise provided in G.S. 105-316.2 above, no permit required by~~  
41 ~~G.S. 105-316.1 through 105-316.8 shall be issued by the tax collector unless and until all~~  
42 ~~taxes due to be paid by the owner to the county or to any other taxing unit therein,~~  
43 ~~including any penalties or interest thereon, have been paid. Any taxes which have not yet~~

1 been computed but which will become due during the current calendar year shall be  
2 determined as in the case of prepayments.

3 (b) Upon compliance with the provisions of G.S. 105-316.1 through 105-316.8,  
4 the tax collector shall issue, without charge, a permit authorizing the removal of ~~the a~~  
5 mobile home. ~~He~~ The tax collector shall also maintain a record of all permits issued."

6 Section 4. G.S. 105-355 reads as rewritten:

7 "**§ 105-355. Creation of tax lien; date as of which lien attaches.**

8 (a) Lien on Real Property. – Regardless of the time at which liability for a tax for a  
9 given fiscal year may arise or the exact amount thereof be determined, the lien for taxes  
10 levied on a parcel of real property shall attach to the parcel taxed on the date as of which  
11 property is to be listed under G.S. 105-285, and the lien for taxes levied on personal  
12 property shall attach to all real property of the taxpayer in the taxing unit on the same  
13 date. All penalties, interest, and costs allowed by law shall be added to the amount of the  
14 lien and shall be regarded as attaching at the same time as the lien for the principal  
15 amount of the taxes. For purposes of this ~~subsection (a):~~ subsection:

16 (1) Taxes levied on real property listed in the name of a life tenant under  
17 G.S. 105-302(c)(8) shall be a lien on the fee as well as the life estate.

18 (2) Taxes levied on improvements on or separate rights in real  
19 property owned by one other than the owner of the land, whether or  
20 not listed separately from the land under G.S. 105-302(c)(11), shall be  
21 a lien on both the improvements or rights and on the land.

22 (b) Lien on Personal Property. – Taxes levied on real and personal property  
23 (including penalties, interest, and costs allowed by law) shall be a lien on personal  
24 property from and after levy or attachment and garnishment of the personal property  
25 levied upon or attached.

26 (c) Mobile Homes. – The lien of taxes on a mobile home on which a security  
27 interest exists of record shall be enforceable against the holder of the security interest  
28 only for taxes that the holder of the security interest would be required to pay in order to  
29 repossess the mobile home under G.S. 105-316.4. If the holder of a security interest of  
30 record on a mobile home has paid all taxes required under G.S. 105-316.4 in order to  
31 repossess the mobile home, the mobile home is no longer subject to levy or attachment of  
32 any lien for any other taxes owed at the time of payment by the owner of the mobile  
33 home."

34 Section 5. G.S. 105-366(b)(6) reads as rewritten:

35 "(6) Personal property of the taxpayer that has been repossessed by one  
36 having a security interest therein so long as the property remains in the  
37 hands of the person who has repossessed it or the person to whom it has  
38 been transferred other than by bona fide sale for value. However, a levy  
39 on a mobile home in the hands of a reposessor, or a person to whom  
40 the reposessor transferred it other than by bona fide sale for value, may  
41 be made only for taxes that the reposessor was required to pay in order  
42 to repossess the mobile home under G.S. 105-316.4."

43 Section 6. This act becomes effective July 1, 1997.