

C-Engrossed
House Bill 2389

Ordered by the Senate August 4
Including House Amendments dated April 26 and Senate Amendments
dated July 28 and August 4

Sponsored by Representative HANSEN, Senator DEVLIN; Representatives BERGER, DALTO, Senator JOHNSON

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Creates tax credit for qualifying individual who involuntarily moves manufactured dwelling due to manufactured dwelling park closure **occurring within this state**. Makes credit refundable to qualifying individuals with low income. Applies to involuntary moves occurring in tax years beginning on or after January 1, 2006, **and before January 1, 2008**.

Creates tax exemption for gain realized by manufactured dwelling park landlord from sale of park to certain associations or organizations or to housing authority. Applies to park sales occurring in tax years beginning on or after January 1, 2006, **and before January 1, 2008**.

Requires Housing and Community Services Department to act as collector and source of information regarding manufactured dwelling park spaces available for rent.

Provides that jurisdiction may not prohibit relocation of manufactured dwelling to manufactured dwelling park or mobile home park based solely on age of dwelling if relocation is due to park closure.

A BILL FOR AN ACT

1
2 Relating to manufactured housing; creating new provisions; and amending ORS 197.485, 316.153 and
3 316.502 and section 3, chapter 846, Oregon Laws 1991.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 316.153 is amended to read:

6 316.153. (1) As used in this section:

7 (a) **“Federal poverty guideline” means the United States Department of Health and Hu-**
8 **man Services poverty guidelines set forth on page 8374 of Volume 70 of the 2005 Federal**
9 **Register.**

10 (b) **“Household” has the meaning given that term in ORS 310.630.**

11 (c) **“Household income” has the meaning given that term in ORS 310.630.**

12 [(a)] (d) **“Involuntary move” means a move forced on an owner due to the termination of the**
13 **owner’s rental agreement for a facility space resulting from the closure of the facility, or portion**
14 **of the facility, as defined in ORS 90.100.**

15 [(b)] (e) **“Mobile home” has the meaning given “manufactured dwelling” in ORS 446.003, and**
16 **includes only a mobile home [with] that is involuntarily moved from a facility space located in**
17 **this state and that has a fair market value of [\$50,000] \$110,000 or less on the date that the mobile**
18 **home is involuntarily moved.**

19 [(c)] (f) **“Qualified individual” means an individual who:**

20 (A) Owns and occupies as a principal residence, on the date of the involuntary move, a mobile
21 home involuntarily moved; and

22 (B) Has a [*federal adjusted gross income, as described under ORS 316.013, of \$30,000*] **household**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 **income of \$60,000** or less for the tax year in which the mobile home is involuntarily moved.

2 (2) A qualified individual is allowed a credit against the taxes otherwise due under this chapter.
3 The amount of the credit is the lesser of:

4 (a) [\$1,500] **\$10,000**; or

5 (b) The actual cost of moving and setting up the mobile home after subtracting any payments
6 or reimbursements received by the qualified individual under ORS 90.630 (5) and (6).

7 (3)(a) **Except as provided in subsection (4) of this section**, one-third of the total amount of
8 credit allowed under this section must be claimed by the qualified individual for the tax year in
9 which the mobile home is involuntarily moved and one-third of the credit in each of the two tax
10 years immediately following.

11 (b) Any credit which is not used by the taxpayer in a particular year may be carried forward
12 and offset against the taxpayer's tax liability for the next succeeding tax year. Any credit remaining
13 unused in the next succeeding tax year may be carried forward and used in the second succeeding
14 tax year, and likewise any credit not used in that second succeeding tax year may be carried for-
15 ward and used in the third succeeding tax year, and any credit not used in that third succeeding
16 tax year may be carried forward and used in the fourth succeeding tax year, and any credit not used
17 in that fourth succeeding tax year may be carried forward and used in the fifth succeeding tax year,
18 but may not be carried forward for any tax year thereafter.

19 (c) The credit allowed to a qualified individual is available for only one involuntary move of a
20 mobile home.

21 (d) If the taxpayer is married at the close of the tax year, the credit shall be allowed to only
22 one taxpayer if the spouses file separate returns for the tax year. Marital status shall be determined
23 as provided under section 21 (e)(3) and (4) of the Internal Revenue Code.

24 **(4) If, in the year of the involuntary move, the household income of the qualified indi-**
25 **vidual is not more than 200 percent of federal poverty guideline gross annual income for a**
26 **family unit of the same size as the qualified individual's household, the total amount allow-**
27 **able to the taxpayer as a credit under subsection (2) of this section may be claimed as a**
28 **credit in the year of the involuntary move. If the amount of the credit, when added to the**
29 **sum of the amounts allowable as payment of tax under ORS 316.187 (withholding), ORS**
30 **316.583 (estimated tax), other tax prepayment amounts and other refundable credit amounts,**
31 **exceeds the taxes imposed by this chapter or ORS chapter 314 for the tax year (reduced by**
32 **any nonrefundable credits allowable for purposes of this chapter for the tax year), the**
33 **amount of the excess shall be refunded to the taxpayer as provided in ORS 316.502.**

34 **SECTION 2. The amendments to ORS 316.153 by section 1 of this 2005 Act apply to tax**
35 **credits allowed for a mobile home involuntary movement occurring in tax years that begin**
36 **on or after January 1, 2006, and before January 1, 2008.**

37 **SECTION 3. Section 3, chapter 846, Oregon Laws 1991, as amended by section 45, chapter 746,**
38 **Oregon Laws 1995, is amended to read:**

39 **Sec. 3.** ORS 316.153 applies to tax years beginning on or after January 1, 1992, and on or before
40 December 31, 2001, **and to tax years beginning on or after January 1, 2006, and before January**
41 **1, 2008.**

42 **SECTION 4. ORS 316.502 is amended to read:**

43 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds, shall
44 be paid over to the State Treasurer and held in the General Fund as miscellaneous receipts avail-
45 able generally to meet any expense or obligation of the State of Oregon lawfully incurred.

1 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
2 tained for the payment of refunds, but such working balance shall not at the close of any fiscal year
3 exceed the sum of \$1 million.

4 (3) Moneys are continuously appropriated to the Department of Revenue to make:

5 (a) The refunds authorized under subsection (2) of this section; *[and]*

6 (b) The refund payments in excess of tax liability authorized under ORS 315.262[.]; **and**

7 **(c) The refund payments in excess of tax liability authorized under ORS 316.153 (4).**

8 **SECTION 4a.** ORS 316.502, as amended by section 4 of this 2005 Act, is amended to read:

9 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds, shall
10 be paid over to the State Treasurer and held in the General Fund as miscellaneous receipts avail-
11 able generally to meet any expense or obligation of the State of Oregon lawfully incurred.

12 (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be re-
13 tained for the payment of refunds, but such working balance shall not at the close of any fiscal year
14 exceed the sum of \$1 million.

15 (3) Moneys are continuously appropriated to the Department of Revenue to make:

16 (a) The refunds authorized under subsection (2) of this section; **and**

17 (b) The refund payments in excess of tax liability authorized under ORS 315.262[.]; *and]*

18 *[(c) The refund payments in excess of tax liability authorized under ORS 316.153 (4).]*

19 **SECTION 4b.** The amendments to ORS 316.502 by section 4a of this 2005 Act apply to tax
20 years beginning on or after January 1, 2008.

21 **SECTION 5.** Section 6 of this 2005 Act is added to and made a part of ORS chapter 316.

22 **SECTION 6.** Amounts received as a result of the sale of a manufactured dwelling park
23 to a tenants' association, facility purchase association or tenants' association supported
24 nonprofit organization as described in ORS 90.820, to a community development corporation
25 as described in ORS 458.210 or to a housing authority as defined in ORS 456.005 are exempt
26 from the tax imposed by this chapter.

27 **SECTION 7.** Section 6 of this 2005 Act applies to tax years beginning on or after January
28 1, 2006, and before January 1, 2008.

29 **SECTION 8.** Section 9 of this 2005 Act is added to and made a part of ORS chapter 317.

30 **SECTION 9.** Amounts received as a result of the sale of a manufactured dwelling park
31 to a tenants' association, facility purchase association or tenants' association supported
32 nonprofit organization as described in ORS 90.820, to a community development corporation
33 as described in ORS 458.210 or to a housing authority as defined in ORS 456.005 are exempt
34 from the tax imposed by this chapter.

35 **SECTION 10.** Section 9 of this 2005 Act applies to tax years beginning on or after January
36 1, 2006, and before January 1, 2008.

37 **SECTION 11.** The Housing and Community Services Department shall encourage manu-
38 factured dwelling park landlords to inform the department of manufactured dwelling park
39 spaces that become available for rent and to provide the department with descriptions and
40 other relevant information regarding those spaces. The department shall take reasonable
41 means to make the descriptions of available manufactured dwelling park rental spaces ac-
42 cessible by the public, including, but not limited to, placing the information on an Internet
43 website. The department shall make reasonable efforts to increase public awareness of the
44 department as a source for information concerning available manufactured dwelling park
45 rental spaces.

1 **SECTION 12.** ORS 197.485 is amended to read:

2 197.485. (1) A jurisdiction [*shall*] **may** not prohibit placement of a manufactured dwelling, due
3 solely to its age, in a mobile home or manufactured dwelling park in a zone with a residential den-
4 sity of eight to 12 units per acre.

5 **(2) A jurisdiction may not prohibit placement of a manufactured dwelling, due solely to**
6 **its age, in a mobile home or manufactured dwelling park if the manufactured dwelling is**
7 **being relocated due to the closure of a mobile home or manufactured dwelling park or a**
8 **portion of a mobile home or manufactured dwelling park.**

9 (3) A jurisdiction may impose reasonable safety and inspection requirements for homes which
10 were not constructed in conformance with the National Manufactured Home Construction and
11 Safety Standards Act of 1974.

12
