

# SENATE BILL REPORT

## SB 5179

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As Reported By Senate Committee On:  
Financial Institutions & Housing, February 2, 1996

**Title:** An act relating to used mobile homes.

**Brief Description:** Altering the definition of a used mobile home.

**Sponsors:** Senators Winsley and Loveland.

**Brief History:**

**Committee Activity:** Financial Institutions & Housing: 1/24/95, 2/3/95 [DP]; 2/1/96, 2/2/96 [DP-WM].

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### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & HOUSING

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Roach, Sellar, Smith and Sutherland.

**Staff:** David Cheal (786-7576)

**Background:** All sales of real estate are subject to an excise tax. For the purposes of application of this tax, "real estate" includes used mobile homes. Used mobile homes are defined as having been previously sold at retail, and having substantially lost identity as a mobile unit at the time of sale by being fixed to the land owned or leased by the owner of the mobile home, and placed on a foundation with a fixed connection to utilities.

**Summary of Bill:** The definition of used mobile home in the real estate excise tax chapter is amended by removing the requirement that the mobile home be fixed to the land.

The effect is that mobile homes that still have their axles in place, temporary utility connections, or other nonpermanent installation features, are subject nonetheless to the real estate excise tax.

**Appropriation:** None.

**Fiscal Note:** Requested on January 20, 1995.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Whether the sale of a used mobile home is taxed as real estate or personal property should not depend on the whimsical circumstance of whether it is permanently attached to the land. Local treasurers have no way of verifying this condition. Used mobile homes are housing units and sales should be taxed as real estate.

**Testimony Against:** None.

**Testified:** Senator Winsley, prime sponsor (pro); Ron Clarke (pro).