

BILL ANALYSIS

S.B. 915
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Ways & Means
Committee Report (Amended)

BACKGROUND AND PURPOSE

According to interested parties, owners of manufactured homes currently face certain restrictions in qualifying for a residence homestead exemption, which makes it difficult for many such homeowners to receive important property tax protections available to other homeowners. S.B. 915 seeks to remove these restrictions and simplify the residence homestead exemption application process for owners of manufactured homes.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 915 amends the Tax Code to include among the forms of acceptable documentation required to accompany an application for a residence homestead exemption, in order for a manufactured home to qualify as a residence homestead, a copy of the payment receipt showing that the applicant is the purchaser of a manufactured home or a sworn affidavit by the applicant stating that the applicant is the owner of the manufactured home, the seller of the manufactured home did not provide the applicant with a purchase contract, and the applicant could not locate the seller after making a good faith effort. The bill removes language specifying that the existing purchase contract documentation that satisfies the documentation requirement applies to a verified copy of the purchase contract and removes an exception to the purchase contract documentation requirement based on a photostatic copy of the current title page for the home being displayed on the computer website of the Texas Department of Housing and Community Affairs (TDHCA). The bill authorizes an appraisal district to rely upon the computer records of the TDHCA to verify an applicant's ownership of a manufactured home, rather than to determine whether a manufactured home qualifies for an exemption. The bill exempts an applicant from being required to submit an accompanying document with an exemption application if the appraisal district verifies the applicant's ownership with the TDHCA's computer records.

S.B. 915 establishes that land on which a manufactured home is located qualifies as a residence homestead only if the land is owned by one or more individuals, including the applicant; the applicant occupies the manufactured home as the applicant's principal residence; and the applicant demonstrates ownership of the manufactured home via certain documentation or the appraisal district determines the applicant's ownership via the TDHCA's computer records. The bill removes language making a residence homestead exemption for land on which a manufactured home is located contingent on the manufactured home being listed together with the land on which it is located under Property Tax Code provisions relating to improvements. The bill entitles the owner of the land that qualifies as a residence homestead, rather than the consumer, to obtain any other benefit granted under the Property Tax Code to the owner of a residence homestead, in addition to a residence homestead exemption, regardless of whether the applicant has elected to treat the manufactured home as real property or personal property and regardless of whether the manufactured home is listed on the tax rolls with the real property to

which it is attached or is listed on the tax rolls separately.

S.B. 915 requires the assessor for a taxing unit to apportion a non-percentage-based residence homestead exemption for property consisting of land and a manufactured home listed separately on the tax roll on a pro rata basis based on the appraised value of the land and the manufactured home.

EFFECTIVE DATE

January 1, 2012.

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1

Committee Amendment No. 1 requires the chief appraiser, rather than the assessor for a taxing unit, to apportion a residence homestead exemption, rather than a non-percentage-based residence homestead exemption, for property consisting of land and a manufactured home listed separately on the tax roll on a pro rata basis based on the appraised value of the land and the manufactured home.