
Housing Committee

HB 2719

Brief Description: Authorizing the conditional cancellation of delinquent property taxes on mobile homes.

Sponsors: Representatives O'Brien, Schindler, Dunn, McCune, Miloscia and Holmquist.

Brief Summary of Bill

- Requires a county treasurer to cancel delinquent taxes on a mobile home that are delinquent by more than one year in circumstances where the proceeds of the sale of a mobile home, after the foreclosure of a landlord lien, are not adequate to cover the back taxes.

Hearing Date: 1/26/06

Staff: Robyn Dupuis (786-7166).

Background:

If a mobile home is abandoned or tenants are evicted because they have not paid rent, often the owner of the space rented to the tenant seizes the home and holds a "rent lien sale" to recoup some or all of the rent owed (a landlord is able to collect up to four months rent according to chapter 60.72 "Landlord's Lien for Rent"). County treasurers also, at this time, are entitled to collect funds to cover delinquent taxes owed by the original mobile home owner either from the landlord, who now has possession of the property, or from whom the home is sold as a condition of the title transfer.

According to stakeholders, often several years of taxes are owed on such mobile homes and the cost to landlords of the seizure and sale of the homes is frequently more than the amount of taxes owed.

Landlord's Lien for Rent (60.72.010)

Landlords have a lien for rent upon personal property which has been used or kept on the rented premises by a tenant. Liens may consist of up to four month's rent when a tenant is renting a mobile home lot in a mobile home park. Such a lien may be enforced at the time of the commencement of an action to foreclose the lien.

Summary of Bill:

Directs county treasurers to cancel delinquent taxes beyond the last year owed if the treasurer determines that the distraint and sale of the home will cost more than the amount of taxes owed on the home and the landlord complies with the following:

- a) requests that the taxes be cancelled;
- b) agrees to sell the home pursuant to the foreclosure of a landlord lien; and
- c) agrees to remit to the county treasurer, after the sale of the home, an amount which shall not exceed the delinquent taxes for one year.

Appropriation: None.

Fiscal Note: Requested on January 16, 2006.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.