

# House Bill 2688

Sponsored by Representative BURLEY; Representatives DALLUM, D EDWARDS, KRUMMEL

## 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 **as introduced**.

Expands tax credit to include credit for costs incurred in purchase of manufactured dwelling facility by tenants.

Applies to tax credits allowed for facility purchases occurring in tax years beginning on or after January 1, 2007, and before January 1, 2008.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to manufactured housing; creating new provisions; amending ORS 316.153; and prescribing  
3 an effective date.

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) "Facility" has the meaning given that term in ORS 90.100.**

8 [(a)] **(b) "Federal poverty guideline"** means the United States Department of Health and Human  
9 Services poverty guidelines set forth on page 8374 of Volume 70 of the 2005 Federal Register.

10 [(b)] **(c) "Household"** has the meaning given that term in ORS 310.630.

11 [(c)] **(d) "Household income"** has the meaning given that term in ORS 310.630.

12 [(d)] **(e) "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 [(e)] **(f) "Mobile home"** has the meaning given "manufactured dwelling" in ORS 446.003, and in-  
16 cludes only a mobile home that is involuntarily moved from a facility space located in this state **or**  
17 **that is located within a facility purchased by the tenants of that facility** and that has a fair  
18 market value of \$110,000 or less on the date that the mobile home is involuntarily moved **or the**  
19 **facility is purchased.**

20 **(g) "Facility purchase" means the purchase of a facility or a portion of a facility by ten-**  
21 **ants of that facility or a corporation or association formed by the tenants of that facility**  
22 **after the facility owner provides notice of receipt of an offer to purchase as described in ORS**  
23 **90.820.**

24 [(f)] **(h) "Qualified individual"** means an individual who:

25 (A) Owns and occupies as a principal residence, on the date of the involuntary move **or facility**  
26 **purchase**, a mobile home involuntarily moved **or located within the purchased facility**; and

27 (B) Has a household income of \$60,000 or less for the tax year in which the mobile home is in-  
28 voluntarily moved **or the facility is purchased.**

29 (2) A qualified individual is allowed a credit against the taxes otherwise due under this chapter.

30 The amount of the credit is the lesser of:

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

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

4 **(c) The actual cost incurred by the qualified individual in purchasing the facility, pur-**  
 5 **chasing a portion of the facility or contributing to a corporation or association that pur-**  
 6 **chases the facility or a portion of the facility.**

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

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

34 **SECTION 2. The amendments to ORS 316.153 by section 1 of this 2007 Act apply to tax**  
 35 **credits allowed for a facility purchase occurring in tax years beginning on or after January**  
 36 **1, 2007, and before January 1, 2008.**

37 **SECTION 3. This 2007 Act takes effect on the 91st day after the date on which the reg-**  
 38 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**