

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Human Services and Early Childhood

REVENUE: Minimal revenue impact, no statement issued**FISCAL: Fiscal statement issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Cheyenne Ross, Administrator**Meeting Dates:** 5/7

WHAT THE MEASURE DOES: Restores capital gains tax exemption for property sales to entities that include tenants, nonprofits, or housing authorities. Modifies time limit for tenants to form or associate to submit purchase offer. Increases assessment fee and reimburses county for processing. Increases mobile home park registration fee. Cancels unpaid taxes and assessment fees. Prohibits mandatory consignment sales. Clarifies rules for competing sales. Applies to tax years beginning January 1, 2015, and before January 1, 2020. Takes effect on 91st day after *sine die*.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

BACKGROUND: House Bill 4038, passed in 2014, requires the owners of manufactured home parks to notify tenants of their intentions to sell the park. If tenants wish to compete to purchase the park, they may form an association, such as a corporation, for the purpose of negotiating the purchase, or they may partner with a nonprofit corporation or housing authority to make the purchase. However, the 2014 legislation failed to incorporate an existing capital gains tax exemption into account, available to property owners who sold their mobile home parks to residents or nonprofits.

House Bill 3016-A restores the capital gains tax exemption for owners of mobile home parks who sell to tenants, and makes a handful of other modifications intended to improve the transaction process.

*House Committee: 9 – 0 – 0**House Floor : 60 – 0 – 0*