

(UPDATED THROUGH P.L. 2009, ch. 339, and JR 16)

TITLE 54 TAXATION

54:4-1.3. Legislative findings and determinations

The Legislature finds and determines that:

- a. It is in the public interest that the Legislature address the difficult questions raised in litigation over the tax status of manufactured **homes** ;
- b. Manufactured **homes** located in **mobile** home parks receive fewer public services than manufactured **homes** or other single family dwelling units located on privately owned lots, and thus the former **homes** occasion a lower level of public expenditures than the latter **homes** ;
- c. With respect to purchaser financing, manufactured **homes** located in **mobile** home parks are not treated in the same manner as manufactured **homes** located on private lots owned by the homeowner or other residential property, and thus are not typically financed through mortgage arrangements, but are typically financed through installment credit;
- d. Because of the differences in siting between manufactured **homes** in **mobile** home parks and manufactured **homes** otherwise located, it is difficult to equate the two for property title purposes, and thus for the purposes of property tax enforcement;
- e. The Legislature has provided that certain property owned by public utilities which would otherwise constitute real property for the purposes of taxation is not real property for such purposes, and has provided an alternate means of ensuring that the owner of such property is responsible for reasonable payment for public services which that owner receives;
- f. The factors which distinguish manufactured **homes** in **mobile** home parks from other dwelling units warrants a distinction between the former and the latter which is analogous to the distinction drawn in the case of public utilities property;
- g. It is necessary to draw that distinction in a fair and equitable manner, which will not penalize the owners of the manufactured **homes** located in **mobile** home parks, nor absolve them of their responsibility to pay for the public services they receive;
- h. It is further necessary to ensure parity, where taxation is concerned, between manufactured **homes** situated outside **mobile** home parks and other similar dwelling units;
- i. The land and improvements thereto which together constitute a **mobile** home park, including those improvements added as part of the private provision of otherwise public services, are subject to taxation as real property, and the revenues derived from the assessment and levy of these real property taxes contribute to the defrayal of the costs of public services provided the owner of the park and lessees of sites in that park; and
- j. It is appropriate and necessary to provide a method by which a municipality may receive reasonable payment for services provided the owners of manufactured **homes** in **mobile** home parks, the cost of which services is not defrayed by real property tax revenues.

L.1983, c. 400, s. 2, eff. Dec. 22, 1983.

**54:4-1.4. Definitions**

As used in this act:

- a. "Commissioner" means the Commissioner of the Department of Community Affairs;
- b. "Cooperative" means a housing corporation or association which entitles the holder of a share or membership interest thereof to possess and occupy for dwelling purposes a house, apartment, manufactured home or other unit of housing owned by the corporation or association, or to purchase a unit of housing constructed or erected by the corporation or association;
- c. "Grade" means a reference plane consisting of the average finished ground level adjacent to a structure, building, or facility at all visible exterior walls;
- d. "Manufactured home" means a unit of housing which:

(1) Consists of one or more transportable sections which are substantially constructed off site and, if more than one section, are joined together on site;

(2) Is built on a permanent chassis;

(3) Is designed to be used, when connected to utilities, as a dwelling on a permanent or nonpermanent foundation; and

(4) Is manufactured in accordance with the standards promulgated for a manufactured home by the secretary pursuant to the "National Manufactured Housing Construction and Safety Standards Act of 1974," Pub.L. 93-383 (42 U.S.C. s. 5401 et seq.) and the standards promulgated for a manufactured or **mobile** home by the commissioner pursuant to the "State Uniform Construction Code Act," P.L.1975, c. 217 (C. 52:27D-119 et seq.);

"Manufactured home" also means and includes any unit of housing manufactured before the effective date of the standards promulgated by the secretary or, as appropriate, by the commissioner, but which otherwise meets the criteria set forth in this subsection;

e. "**Mobile** home park" means a parcel of land, or two or more contiguous parcels of land, containing no fewer than 10 sites equipped for the installation of manufactured **homes**, where these sites are under common ownership and control, other than as a cooperative, for the purpose of leasing each site to the owner of a manufactured home for the installation thereof, and where the owner or owners provide services, which are provided by the municipality in which the park is located for property owners outside the park, which services may include but shall not be limited to:

(1) The construction and maintenance of streets;

(2) Lighting of streets and other common areas;

(3) Garbage removal;

(4) Snow removal; and

(5) Provisions for the drainage of surface water from home sites and common areas.

A parcel, or any contiguous parcels, of land which contain, on the effective date of this act, no fewer than three sites equipped for the installation of manufactured **homes**, and which otherwise conform to the provisions of this subsection, shall qualify as a **mobile** home park for the purposes of this act;

f. "Municipal service fee" means a fee imposed on manufactured **homes** installed in a **mobile** home park for the purpose of reasonable payment for services rendered the owners of the manufactured **homes** by the municipality or any other local taxing authority established pursuant to an ordinance of the municipal governing body, and for the reimbursement of the municipality for payments made thereby to the school district in which the **mobile** home park is located for educational costs occasioned by pupils residing in that park;

g. "Nonpermanent foundation" means any foundation consisting of nonmortared blocks, wheels, a concrete slab, runners, or any combination thereof, or any other system approved by the commissioner for the installation and anchorage of a manufactured home on other than a permanent foundation;

h. "Off site construction of a manufactured home or section thereof" means the construction of that home or section at a location other than the location at which the home is to be installed;

i. "On site joining of sections of a manufactured home" means the joining of those sections at the location at which the home is to be installed;

j. "Permanent foundation" means a system of support installed either partially or entirely below grade, which is:

(1) Capable of transferring all design loads imposed by or upon the structure into soil or bedrock without failure;

(2) Placed at an adequate depth below grade to prevent frost damage; and

(3) Constructed of any material approved by the commissioner;

k. "Runners" means a system of support consisting of poured concrete strips running the length of the chassis of a manufactured home under the lengthwise walls of that home;

l. "Secretary" means the Secretary of the United States Department of Housing and Urban Development; and

m. "Trailer" means a recreational vehicle, travel trailer, camper or other transportable, temporary dwelling unit, with or without its own motor power, designed and constructed for travel and recreational purposes to be installed on a nonpermanent foundation if installation is required.

L.1983, c. 400, s. 3, eff. Dec. 22, 1983.

**54:4-1.5. Manufactured homes subject to taxation as real property**

a. Except as otherwise provided for in subsection b. of this section and in P.L.1982, c. 220 (C. 54:4-23a), a manufactured home shall be subject to taxation as real property under chapter 4 of Title 54 of the Revised Statutes when that home:

(1) Is affixed to the land on which it is sited by a permanent foundation; or

(2) Is affixed to that land by a nonpermanent foundation and connected to utility systems in such manner as to render the home habitable as a dwelling unit on a permanent basis.

b. A manufactured home which is installed in a mobile home park shall not be subject to taxation as real property.

L.1983, c. 400, s. 4, eff. Dec. 22, 1983.

**54:4-1.6. Municipal service fee; ordinance; imposition on manufactured homes in mobile home park; determination of amount; collection by owner of mobile home park; transmittal; interest on delinquencies; rent surcharge**



(UPDATED THROUGH P.L. 2009, ch. 339, and JR 16)

TITLE 54 TAXATION

54:4-1.9. Transfer inheritance and estate tax; application to manufactured homes

A manufactured home subject to real property taxation pursuant to this act shall be treated as real property for the purposes of imposing the transfer inheritance and estate tax pursuant to R.S. 54:34-1 et seq.

L.1983, c. 400, s. 9, eff. Dec. 22, 1983.

**54:4-1.10. Tax exempt real property; activity conducted for profit; tax liability of private party**

When real property which is exempt from taxation is used by a private party in connection with an activity conducted for profit, and the use does not render the real property taxable pursuant to section 1 of P.L.1949, c. 177 (C. 54:4-2.3) or otherwise, the real property shall be assessed and taxed as real property of the private party. The private party is subject to liability for taxation to the same extent as though he owned the property or any portion thereof, unless the owner consents to the taxation thereof. For purposes of this act, "use" means the right or license, express or implied, to possess and enjoy the benefits from any real property, whether or not that right or license is actually exercised.

L.1984, c. 176, s. 1, eff. Nov. 2, 1984.

**54:4-1.11. Procedures for administration of tax**

The assessment, collection, apportionment, and payment of the real property tax imposed by section 1, the attachment of the lien for such taxes, the right of appeal, the entitlement to a proportionate cancellation of the assessment, and the authority granted to municipalities to anticipate taxes to be collected shall be governed by the procedures provided for the administration of leasehold estates owned by tax-exempt entities under sections 2 through 8 of P.L. 1949, c. 177 (C. 54:4-2.4 through C. 54:4-2.10).

L.1984, c. 176, s. 2, eff. Nov. 2, 1984.

**54:4-1.12. Storage tank deemed real property**



**(UPDATED THROUGH P.L. 2009, ch. 339, and JR 16)**

**TITLE 54 TAXATION**

**54:4-**

**1.6. Municipal service fee; ordinance; imposition on manufactured homes in mobile home park; determination of amount; collection by owner of mo**

a. A municipality, by ordinance, shall provide for the imposition of an annual municipal service fee, on manufactured **homes** installed in a **mobile** home park within its corporate boundaries. In setting this fee, the municipal governing body shall take into account the extent to which the taxes assessed and levied pursuant to Title 54 of the Revised Statutes against the land and improvements thereto which together constitute the **mobile** home park in which the **homes** are installed defray the costs of services provided, or paid for, by the municipality, or provided by any other appropriate taxing authority, for lessees of sites in the park. The ordinance imposing the municipal service fee shall provide for the proration of that fee, as necessary, in order to account for vacancies in the **mobile** home park.

b. The municipal service fee shall be collected from each owner of a manufactured home on a monthly basis by the owner of the **mobile** home park in which the home is installed. The park owner shall issue a receipt to the homeowner upon each collection.

The park owner shall transmit the fees collected, in a manner set forth in the ordinance imposing the fee, to the tax collector of the taxing district constituting the municipality in which the fee is imposed, and shall transmit therewith a copy of each receipt issued pursuant to this subsection.

The governing body of the municipality may, by ordinance, fix a rate of interest to be charged a homeowner by the municipality for failure to pay the municipal service fee when due and payable, and to be charged a park owner for failure to transmit fees actually collected when so required. This rate shall be fixed within the limits established for interest charged for delinquent property taxes pursuant to R.S. 54:4-67.

c. An ordinance adopted pursuant to subsection a. of this section shall set forth the manner in which the municipal service fee shall be allocated among the owners of manufactured **homes** within the **mobile** home park. To the extent that the respective portion of the municipal service fee allocated to the owner of a manufactured home constitutes a new fee or an increase of any similar fee imposed before the effective date of this act, this new fee or increase, as appropriate, shall in turn constitute a rent surcharge, collectible in addition to any surcharge or increase permitted by any rent control or rent levelling ordinance adopted by the municipality.

d. Notwithstanding any provision to the contrary of subsection c. of this section, the respective portion of a municipal service fee allocated to the owner of a manufactured home shall be deemed rent for eviction purposes.

L.1983, c. 400, s. 5, eff. Dec. 22, 1983.

**54:4-1.7. Sales tax; imposition on manufacturer's invoice price of manufactured home on first sale**

The sales tax imposed by the "Sales and Use Tax Act," P.L.1966, c. 30 (C. 54:32B-1 et seq.) shall be applied only against the manufacturer's invoice price of a manufactured home upon the first sale of that home.

L.1983, c. 400, s. 6, eff. Dec. 22, 1983.

**54:4-1.8. Trailers; inapplicability of act**

Trailers shall not be subject to the provisions of this act.

L.1983, c. 400, s. 8, eff. Dec. 22, 1983.

**54:4-1.9. Transfer inheritance and estate tax; application to manufactured homes**

