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**TITLE 50 DEPARTMENT OF LOCAL GOVERNMENT  
FINANCE**

*NOTE: Under IC 6-1.1-31-1, the name of the State Board of Tax Commissioners is changed to Department of Local Government Finance, effective January 1, 2002.*

**Proposed Rule**  
LSA Document #01-367

**DIGEST**

Adds 50 IAC 3.2 concerning the assessment of mobile and manufactured homes on an annual basis. Repeals 50 IAC 3.1. Effective 30 days after filing with the secretary of state.

**50 IAC 3.1**

**50 IAC 3.2**

SECTION 1. 50 IAC 3.2 IS ADDED TO READ AS FOLLOWS:

**ARTICLE 3.2. ASSESSMENT OF MOBILE HOMES**

**Rule 1. Purpose**

**50 IAC 3.2-1-1 Purpose**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-7

**Sec. 1. The purpose of this article is to provide the method for the assessment of annually assessed mobile homes and annually assessed manufactured homes. For purposes of this article, “mobile home” shall include a manufactured home.** *(Department of Local Government Finance; 50 IAC 3.2-1-1)*

**Rule 2. Definitions**

**50 IAC 3.2-2-1 Definitions**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-7

**Sec. 1. The definitions in this rule apply throughout this article.** *(Department of Local Government Finance; 50 IAC 3.2-2-1)*

**50 IAC 3.2-2-2 “Annually assessed mobile home” defined**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-7

**Sec. 2. “Annually assessed mobile home” means a mobile or manufactured home that is not located on:**  
**(1) a permanent foundation; or**  
**(2) land owned by the mobile home owner.**  
*(Department of Local Government Finance; 50 IAC 3.2-2-2)*

**50 IAC 3.2-2-3 “Permanent foundation” defined**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 3. “Permanent foundation” means a structural system capable of transposing loads from a structure to the earth at a depth below the established frost line. A permanent foundation consists of a closed perimeter formation made from materials such as concrete, mortared concrete block, or mortared brick extending into the ground below the frost line. The term may include cellars, basements, or crawl spaces, but it does not include a pier foundation. (Department of Local Government Finance; 50 IAC 3.2-2-3)**

**50 IAC 3.2-2-4 “Pier foundation” defined**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 4. “Pier foundation” means a noncontinuous series of posts or columns laid in a grid pattern that transmits the load of the superstructure to the ground. Piers may or may not be on footings, and may be constructed of steel, wood, concrete, concrete block, or stone. A pier foundation is not to be considered a permanent foundation. (Department of Local Government Finance; 50 IAC 3.2-2-4)**

**50 IAC 3.2-2-5 “Real Property Assessment Guidelines for 2002–Version A” defined**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 5. “Real Property Assessment Guidelines for 2002–Version A” (also referred to in this rule as “the Guidelines”) means the Real Property Assessment Guidelines for 2002–Version ‘A’, published by the state board of tax commissioners and dated January 1, 2002, which are hereby incorporated by reference. The term does not include any later amendments or editions. Copies of these guidelines are available for a fee of ten dollars (\$10) from the department of local government finance (department) at 100 North Senate Avenue, Suite 1058, Indianapolis, Indiana or you may access them at no cost on the department’s Web site at <http://www.in.gov/dlgf/pubs/>. (Department of Local Government Finance; 50 IAC 3.2-2-5)**

**50 IAC 3.2-2-6 “Real Property Assessment Manual for 2002” defined**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 6. “Real Property Assessment Manual for 2002” means the 2002 Real Property Assessment Manual, published by the state board of tax commissioners and dated January 1, 2002, which is hereby incorporated by reference and does not include any later amendments or editions. Copies of the manual are available for a fee of ten dollars (\$10) from the department of local government finance (department) at 100 North Senate Avenue, Suite 1058, Indianapolis, Indiana or you may access the manual at no cost on the department’s Web site at <http://www.in.gov/dlgf/pubs/>. (Department of Local Government Finance; 50 IAC 3.2-2-6)**

**50 IAC 3.2-2-7 “Real property mobile home” defined**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 7. “Real property mobile home” means a mobile or manufactured home that meets one (1) of the following requirements:**

- (1) Located on land owned by the home owner.**
- (2) Located on a permanent foundation.**

*(Department of Local Government Finance; 50 IAC 3.2-2-7)*

**Rule 3. Method**

**50 IAC 3.2-3-1 Method**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
Affected: IC 6-1.1-7

**Sec. 1. (a) The township assessor of the township within which the mobile home is located shall assess the mobile home for taxation under this article.**

**(b) A mobile home shall be assessed as real property under 50 IAC 2.3 if the mobile home is located on:**

**(1) land owned by the owner of the mobile home; or**

**(2) a permanent foundation even if the land under the mobile home is owned by someone other than the owner of the mobile home.**

**(c) A mobile home shall be assessed annually in accordance with 50 IAC 4.3 if the mobile home is held for sale in the ordinary course of a trade or business.**

**(d) The township assessor shall assess mobile homes that do not meet the requirements of subsection (b) or (c), and all exterior features, yard structures, and improvements owned by the mobile home owner and located on the same parcel as the mobile home in accordance with 50 IAC 3.2-2. (*Department of Local Government Finance; 50 IAC 3.2-3-1*)**

#### **50 IAC 3.2-3-2 Assessment dates**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-2-1; IC 6-1.1-7-7; IC 6-1.1-22-9

**Sec. 2. (a) A mobile home that meets the requirements of section 1(d) of this rule shall be assessed on January 15 and taxed at the current year's tax rate. The owner of a mobile home that meets the requirements of section 1(d) of this rule shall pay the tax in accordance with IC 6-1.1-7-7.**

**(b) A mobile home assessed as real property under section 1(b) of this rule shall be assessed on March 1 and taxed at the following year's rate.**

**(c) A mobile home assessed as personal property under section 1(c) of this rule shall be assessed on March 1 and taxed at the following year's rate.**

**(d) A mobile home properly assessed under subsection (a) that becomes real property on or before March 1 of the same year shall be assessed and taxed as real property under subsection (b). Upon the taxpayer furnishing proper documentation to the auditor of two (2) consecutive assessments of the same property as real property, the auditor shall remove the January 15 assessment from the tax rolls. (*Department of Local Government Finance; 50 IAC 3.2-3-2*)**

#### **Rule 4. Valuation Guide**

##### **50 IAC 3.2-4-1 Criteria for valuation**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-7-2

**Sec. 1. (a) Township assessors shall use the standard of true tax value as set forth in the Real Property Assessment Manual for 2002 in the assessment of annually assessed mobile homes.**

**(b) All annually assessed mobile homes assessed after January 14, 2003, shall be assessed in accordance with the methodology that the county assessor has elected, in accordance with 50 IAC 2.3-1-1, for the assessment of real property mobile homes in the county in which the mobile home is assessed.**

**(c) If the county assessor has selected to assess real property mobile homes under the Real Property Assessment Guidelines for 2002–Version A, then the township assessor shall value annually assessed mobile homes in accordance with the guidelines for the assessment of real property mobile homes contained in the Real Property Assessment Guidelines for 2002–Version A.**

**(d) If the county assessor has selected to assess real property mobile homes under an assessment method other**

than that described in subsection (c) and the county assessor has obtained the approval of the department of local government finance in accordance with 50 IAC 2.3-1-1(f) for this assessment method, then each township assessor in the county shall use the alternative approved method for the assessment of annually assessed mobile homes.

(e) The procedure for submission and approval of the alternative method shall be in accordance with the 2002 Real Property Assessment Manual, Approval of Mass Appraisal Methods. (*Department of Local Government Finance; 50 IAC 3.2-4-1*)

**50 IAC 3.2-4-2 Application of the shelter allowance**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1; IC 6-1.1-31-5.  
 Affected: IC 6-1.1-20.9-1

Sec. 2. (a) In accordance with the 2002 Real Property Assessment Manual, assessing officials shall apply the shelter allowance to all owner-occupied residential property, including the improvement value of owner-occupied mobile homes assessed under this rule. The township assessor may assume that all properties that receive the homestead credit available under IC 6-1.1-20.9 qualify for the applicable shelter allowance.

(b) A property need not currently receive the homestead credit under IC 6-1.1-20.9-1 in order to qualify for the shelter allowance. The shelter allowance shall be applied to all properties that qualify as a “homestead”, as that term is defined in IC 6-1.1-20.9-1. Assessing officials may assume without further investigation that, if the property receives the homestead credit provided IC 6-1.1-20.9, the shelter allowance should be applied to that property. (*Department of Local Government Finance; 50 IAC 3.2-4-2*)

**50 IAC 3.2-4-3 Depreciation**

Authority: IC 6-1.1-7-2; IC 6-1.1-31-1  
 Affected: IC 6-1.1-7

Sec. 3. (a) The depreciation tables in the Real Property Assessment Guidelines for 2002–Version ‘A’ are calculated for the 2002 reassessment date. Township assessors using the Real Property Assessment Guidelines for 2002–Version ‘A’ shall use the depreciation tables in the Guidelines for the January 15, 2003, assessment date for annually assessed mobile homes.

(b) The following depreciation tables shall be used in 2004 and thereafter to calculate the depreciation percentage for all annually assessed mobile or manufactured homes:

(1) Pre-HUD code models–depreciation percentages (for units built prior to June 15, 1976):

Age	Custom	Good	Economy
26 years and over	75	80	85

(2) These depreciation percentages shall be used for mobile homes in average condition relative to other comparable mobile homes. If the subject mobile home is in any condition other than average, adjust the applicable depreciation percentage as follows:

(A) If the home is in excellent or good condition, use ten percent (10%) less depreciation for excellent and five percent (5%) less depreciation for good.

(B) If the home is in fair condition, add an additional five percent (5%) depreciation; if in poor condition, add an additional ten percent (10%) depreciation to the classification; and if in very poor condition, add an additional fifteen percent (15%) depreciation, to a maximum of ninety-five percent (95%) to any mobile home.

(c) Post-HUD code models–depreciation percentages (for units built after June 15, 1976):

ACTUAL AGE	EX	Condition Rating				
		G	A	F	P	VP
01	05	05	05	10	15	20
02	05	05	10	15	20	25
03–04	05	10	15	20	25	30
05–06	10	15	20	25	30	35
07–08	10	20	25	30	35	40

<b>09–10</b>	<b>15</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>
<b>11–12</b>	<b>20</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>
<b>13–14</b>	<b>25</b>	<b>35</b>	<b>40</b>	<b>45</b>	<b>50</b>	<b>55</b>
<b>15–16</b>	<b>30</b>	<b>40</b>	<b>45</b>	<b>50</b>	<b>55</b>	<b>60</b>
<b>17–18</b>	<b>35</b>	<b>45</b>	<b>50</b>	<b>55</b>	<b>60</b>	<b>65</b>
<b>19–20</b>	<b>40</b>	<b>50</b>	<b>55</b>	<b>60</b>	<b>65</b>	<b>70</b>
<b>21–22</b>	<b>45</b>	<b>55</b>	<b>60</b>	<b>65</b>	<b>70</b>	<b>75</b>
<b>23–24</b>	<b>50</b>	<b>60</b>	<b>65</b>	<b>70</b>	<b>75</b>	<b>80</b>
<b>25–27</b>	<b>55</b>	<b>65</b>	<b>70</b>	<b>75</b>	<b>80</b>	<b>80</b>
<b>28 +</b>	<b>60</b>	<b>70</b>	<b>75</b>	<b>80</b>	<b>80</b>	<b>80</b>

*(Department of Local Government Finance; 50 IAC 3.2-4-3)*

**50 IAC 3.2-4-4 Data collecting on mobile home properties**

**Authority:** IC 6-1.1-7-2; IC 6-1.1-31-1

**Affected:** IC 6-1.1-1-3

**Sec. 4. (a) The department of local government finance shall prepare a worksheet and instructions for the use of assessing officials in collecting data pertaining to the assessment of mobile homes.**

**(b) Assessing officials shall use the mobile home assessment work sheet or comparable computer software in the collection and processing of data pertaining to the assessment of mobile home properties.** *(Department of Local Government Finance; 50 IAC 3.2-4-4)*

SECTION 2. 50 IAC 3.1 IS REPEALED.

***Notice of Public Hearing***

*Under IC 4-22-2-24, notice is hereby given that on May 22, 2002 at 10:00 a.m., at the Indiana Government Center-North, 100 North Senate Avenue, Room 1058, Indianapolis, Indiana the Department of Local Government Finance will hold a public hearing on proposed new rules to govern the assessment of annually assessed mobile and manufactured homes.*

*Parties interested in participating in the public hearing are encouraged to attend and submit written statements expressing their specific or general concerns, any suggested additions or revisions, and any documentation that may serve to support, clarify, or supplement their concerns, suggestions, or proposed revisions. The Department of Local Government Finance also encourages any interested party who has concerns, suggestions, or proposed revisions to contact Beth Henkel, General Counsel, Department of Local Government Finance, at (317) 233-4361.*

*Copies of these rules are now on file at the Indiana Government Center-North, 100 North Senate Avenue, Room 1058 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.*

Jon Laramore  
Commissioner  
Department of Local Government Finance