

MOBILE HOME AND MANUFACTURED HOME AMENDMENTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: Craig W. Buttars

AN ACT RELATING TO REVENUE AND TAXATION; REDEFINING MOBILE HOME AND MANUFACTURED HOME; CLARIFYING WHETHER A MOBILE HOME OR MANUFACTURED HOME IS PERMANENTLY AFFIXED AND QUALIFIES AS AN IMPROVEMENT TO REAL PROPERTY; CLARIFYING THE CIRCUMSTANCES UNDER WHICH A MOBILE HOME OR MANUFACTURED HOME QUALIFIES FOR THE EXEMPTION OF INVENTORY; AND MAKING TECHNICAL CHANGES.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

41-1a-102, as last amended by Chapter 360, Laws of Utah 1997

59-2-102, as last amended by Chapter 360, Laws of Utah 1997

59-2-601, as last amended by Chapter 3, Laws of Utah 1988

59-2-602, as last amended by Chapter 3, Laws of Utah 1988

59-2-604, as enacted by Chapter 176, Laws of Utah 1995

59-2-1114, as last amended by Chapters 138 and 169, Laws of Utah 1995

59-2-1303, as last amended by Chapter 335, Laws of Utah 1995

REPEALS:

59-2-603, as last amended by Chapter 3, Laws of Utah 1988

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **41-1a-102** is amended to read:

41-1a-102. Definitions.

As used in this chapter:

- (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.
- (2) "Actual weight" means the actual unladen weight of a vehicle or combination of vehicles as operated and certified to by a weighmaster.
- (3) "Affidavit of Mobile Home Affixture" means the affidavit of affixture described in

Title 59, Chapter 2, Part 6, Mobile Homes.

- (4) "All-terrain type I vehicle" has the same meaning provided in Section 41-22-2.
- (5) "All-terrain type II vehicle" has the same meaning provided in Section 41-22-2.
- (6) "Amateur radio operator" means any person licensed by the Federal Communications Commission to engage in private and experimental two-way radio operation on the amateur band radio frequencies.
- (7) "Branded title" means a title certificate that is labeled:
 - (a) rebuilt and restored to operation;
 - (b) flooded and restored to operation; or
 - (c) not restored to operation.
- (8) "Camper" means any structure designed, used, and maintained primarily to be mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for camping.
- (9) "Certificate of title" means a document issued by a jurisdiction to establish a record of ownership between an identified owner and the described vehicle, vessel, or outboard motor.
- (10) "Certified scale weigh ticket" means a weigh ticket that has been issued by a weighmaster.
- (11) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or maintained for the transportation of persons or property that operates:
 - (a) as a carrier for hire, compensation, or profit; or
 - (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.
- (12) "Commission" means the State Tax Commission.
- (13) "Dealer" means a person engaged or licensed to engage in the business of buying, selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.
- (14) "Division" means the Motor Vehicle Division of the commission, created in Section

41-1a-106.

(15) "Essential parts" means all integral and body parts of a vehicle of a type required to be registered in this state, the removal, alteration, or substitution of which would tend to conceal the identity of the vehicle or substantially alter its appearance, model, type, or mode of operation.

(16) "Farm tractor" means every motor vehicle designed and used primarily as a farm implement for drawing plows, mowing machines, and other implements of husbandry.

(17) (a) "Farm truck" means a truck used by the owner or operator of a farm solely for his own use in the transportation of:

(i) farm products, including livestock and its products, poultry and its products, floricultural and horticultural products;

(ii) farm supplies, including tile, fence, and every other thing or commodity used in agricultural, floricultural, horticultural, livestock, and poultry production; and

(iii) livestock, poultry, and other animals and things used for breeding, feeding, or other purposes connected with the operation of a farm.

(b) "Farm truck" does not include the operation of trucks by commercial processors of agricultural products.

(18) "Fleet" means one or more commercial vehicles.

(19) "Foreign vehicle" means a vehicle of a type required to be registered, brought into this state from another state, territory, or country other than in the ordinary course of business by or through a manufacturer or dealer, and not registered in this state.

(20) "Gross laden weight" means the actual weight of a vehicle or combination of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

(21) "Highway" or "street" means the entire width between property lines of every way or place of whatever nature when any part of it is open to the public, as a matter of right, for purposes of vehicular traffic.

(22) (a) "Identification number" means the identifying number assigned by the manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard motor.

(b) "Identification number" includes a vehicle identification number, state assigned

identification number, hull identification number, and motor serial number.

(23) "Implement of husbandry" means every vehicle designed or adapted and used exclusively for an agricultural operation and only incidentally operated or moved upon the highways.

(24) (a) "In-state miles" means the total number of miles operated in this state during the preceding year by fleet power units.

(b) If fleets are composed entirely of trailers or semitrailers, "in-state miles" means the total number of miles that those vehicles were towed on Utah highways during the preceding year.

(25) "Interstate vehicle" means any commercial vehicle operated in more than one state, province, territory, or possession of the United States or foreign country.

(26) "Jurisdiction" means a state, district, province, political subdivision, territory, or possession of the United States or any foreign country.

(27) "Lienholder" means a person with a security interest in particular property.

(28) "Manufactured home" means a ~~[structure that is built on a permanent chassis, transportable in one or more sections, and is designed to be used as a dwelling with or without a permanent foundation when connected to required utilities]~~ transportable factory built housing unit constructed on or after June 15, 1976, according to the Federal Home Construction and Safety Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems.

(29) "Manufacturer" means a person engaged in the business of constructing, manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or outboard motors for the purpose of sale or trade.

(30) "Mobile home" means a ~~[structure transportable in one or more sections with the plumbing, heating, and electrical systems contained intact within the structure]~~ transportable factory built housing unit built prior to June 15, 1976, in accordance with a state mobile home code which existed prior to the Federal Manufactured Housing and Safety Standards Act (HUD Code).

(31) "Motorboat" has the same meaning as provided in Section 73-18-2.

(32) "Motorcycle" means a motor vehicle having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground.

(33) (a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and operation on the highways.

(b) "Motor vehicle" does not include an off-highway vehicle.

(34) (a) "Nonresident" means a person who is not a resident of this state as defined by Section 41-1a-202, and who does not engage in intrastate business within this state and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.

(b) A person who engages in intrastate business within this state and operates in that business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in interstate commerce, maintains any vehicle in this state as the home station of that vehicle is considered a resident of this state, insofar as that vehicle is concerned in administering this chapter.

(35) "Odometer" means a device for measuring and recording the actual distance a vehicle travels while in operation, but does not include any auxiliary odometer designed to be periodically reset.

(36) "Off-highway implement of husbandry" has the same meaning as provided in Section 41-22-2.

(37) "Off-highway vehicle" has the same meaning as provided in Section 41-22-2.

(38) "Operate" means to drive or be in actual physical control of a vehicle or to navigate a vessel.

(39) "Outboard motor" means a detachable self-contained propulsion unit, excluding fuel supply, used to propel a vessel.

(40) (a) "Owner" means a person, other than a lienholder, holding title to a vehicle, vessel, or outboard motor whether or not the vehicle, vessel, or outboard motor is subject to a security interest.

(b) If a vehicle is the subject of an agreement for the conditional sale or installment sale or mortgage of the vehicle with the right of purchase upon performance of the conditions stated in the

agreement and with an immediate right of possession vested in the conditional vendee or mortgagor, or if the vehicle is the subject of a security agreement, then the conditional vendee, mortgagor, or debtor is considered the owner for the purposes of this chapter.

(c) If a vehicle is the subject of an agreement to lease, the lessor is considered the owner until the lessee exercises his option to purchase the vehicle.

(41) "Personalized license plate" means a license plate that has displayed on it a combination of letters, numbers, or both as requested by the owner of the vehicle and assigned to the vehicle by the division.

(42) (a) "Pickup truck" means a two-axle motor vehicle with motive power manufactured, remanufactured, or materially altered to provide an open cargo area.

(b) "Pickup truck" includes motor vehicles with the open cargo area covered with a camper, camper shell, tarp, removable top, or similar structure.

(43) "Pneumatic tire" means every tire in which compressed air is designed to support the load.

(44) "Preceding year" means a period of 12 consecutive months fixed by the division that is within 16 months immediately preceding the commencement of the registration or license year in which proportional registration is sought. The division in fixing the period shall conform it to the terms, conditions, and requirements of any applicable agreement or arrangement for the proportional registration of vehicles.

(45) "Public garage" means every building or other place where vehicles or vessels are kept and stored and where a charge is made for the storage and keeping of vehicles and vessels.

(46) "Reconstructed vehicle" means every vehicle of a type required to be registered in this state that is materially altered from its original construction by the removal, addition, or substitution of essential parts, new or used.

(47) "Registration" means a document issued by a jurisdiction that allows operation of a vehicle or vessel on the highways or waters of this state for the time period for which the registration is valid and that is evidence of compliance with the registration requirements of the jurisdiction.

(48) (a) "Registration year" means a 12 consecutive month period commencing with the

completion of all applicable registration criteria.

(b) For administration of a multistate agreement for proportional registration the division may prescribe a different 12-month period.

(49) "Repair or replacement" means the restoration of vehicles, vessels, or outboard motors to a sound working condition by substituting any inoperative part of the vehicle, vessel, or outboard motor, or by correcting the inoperative part.

(50) "Road tractor" means every motor vehicle designed and used for drawing other vehicles and constructed so it does not carry any load either independently or any part of the weight of a vehicle or load that is drawn.

(51) "Sailboat" has the same meaning as provided in Section 73-18-2.

(52) "Security interest" means an interest that is reserved or created by a security agreement to secure the payment or performance of an obligation and that is valid against third parties.

(53) "Semitrailer" means every vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle and constructed so that some part of its weight and its load rests or is carried by another vehicle.

(54) "Special group license plate" means a type of license plate designed for a particular group of people or a license plate authorized and issued by the division in accordance with Section 41-1a-408.

(55) (a) "Special interest vehicle" means a vehicle used for general transportation purposes and that is:

(i) 20 years or older from the current year; or

(ii) a make or model of motor vehicle recognized by the division director as having unique interest or historic value.

(b) In making his determination under Subsection (a), the division director shall give special consideration to:

(i) a make of motor vehicle that is no longer manufactured;

(ii) a make or model of motor vehicle produced in limited or token quantities;

(iii) a make or model of motor vehicle produced as an experimental vehicle or one designed

exclusively for educational purposes or museum display; or

(iv) a motor vehicle of any age or make that has not been substantially altered or modified from original specifications of the manufacturer and because of its significance is being collected, preserved, restored, maintained, or operated by a collector or hobbyist as a leisure pursuit.

(56) "Special mobile equipment" means every vehicle not designed or used primarily for the transportation of persons or property and incidentally operated or moved over the highways, including farm tractors, road construction or maintenance machinery, ditch-digging apparatus, well-boring apparatus, and concrete mixers.

(57) "Specially constructed vehicle" means every vehicle of a type required to be registered in this state, not originally constructed under a distinctive name, make, model, or type by a generally recognized manufacturer of vehicles, and not materially altered from its original construction.

(58) "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.

(59) (a) "Total fleet miles" means the total number of miles operated in all jurisdictions during the preceding year by power units.

(b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means the number of miles that those vehicles were towed on the highways of all jurisdictions during the preceding year.

(60) "Trailer" means a vehicle without motive power designed for carrying persons or property and for being drawn by a motor vehicle and constructed so that no part of its weight rests upon the towing vehicle.

(61) "Transferee" means a person to whom the ownership of property is conveyed by sale, gift, or any other means except by the creation of a security interest.

(62) "Transferor" means a person who transfers his ownership in property by sale, gift, or any other means except by creation of a security interest.

(63) "Travel trailer" means a trailer designed as a temporary dwelling for travel, recreational, and vacation use that does not require special highway movement permits when drawn by a motor vehicle.

(64) "Truck tractor" means a motor vehicle designed and used primarily for drawing other

vehicles and not constructed to carry a load other than a part of the weight of the vehicle and load that is drawn.

(65) "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle, manufactured home, and mobile home.

(66) "Vessel" has the same meaning as provided in Section 73-18-2.

(67) "Vintage vehicle" has the same meaning as provided in Section 41-21-1.

(68) "Waters of this state" has the same meaning as provided in Section 73-18-2.

(69) "Weighmaster" means a person, association of persons, or corporation permitted to weigh vehicles under this chapter.

Section 2. Section **59-2-102** is amended to read:

59-2-102. Definitions.

As used in this chapter and title:

(1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of engaging in dispensing activities directly affecting agriculture or horticulture with an airworthiness certificate from the Federal Aviation Administration certifying the aircraft or rotorcraft's use for agricultural and pest control purposes.

(2) "Air charter service" means an air carrier operation which requires the customer to hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled trip.

(3) "Air contract service" means an air carrier operation available only to customers who engage the services of the carrier through a contractual agreement and excess capacity on any trip and is not available to the public at large.

(4) "Airline" means any air carrier operating interstate routes on a scheduled basis which offers to fly passengers or cargo on the basis of available capacity on regularly scheduled routes.

(5) "Assessment roll" means a permanent record of the assessment of property as assessed by the county assessor and the commission and may be maintained manually or as a computerized file as a consolidated record or as multiple records by type, classification, or categories.

(6) "Certified revenue levy" means a property tax levy that provides the same amount of ad valorem property tax revenue as was collected for the prior year, plus new growth, but exclusive of

revenue from collections from redemptions, interest, and penalties.

(7) "County-assessed commercial vehicle" means:

(a) any commercial vehicle, trailer, or semitrailer which is not apportioned under Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise;

(b) any passenger vehicle owned by a business and used by its employees for transportation as a company car or vanpool vehicle; and

(c) vehicles which are:

(i) especially constructed for towing or wrecking, and which are not otherwise used to transport goods, merchandise, or people for compensation;

(ii) used or licensed as taxicabs or limousines;

(iii) used as rental passenger cars, travel trailers, or motor homes;

(iv) used or licensed in this state for use as ambulances or hearses;

(v) especially designed and used for garbage and rubbish collection; or

(vi) used exclusively to transport students or their instructors to or from any private, public, or religious school or school activities.

(8) (a) "Escaped property" means any property, whether personal, land, or any improvements to the property, subject to taxation and is:

(i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed to the wrong taxpayer by the assessing authority;

(ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to comply with the reporting requirements of this chapter; or

(iii) undervalued because of errors made by the assessing authority based upon incomplete or erroneous information furnished by the taxpayer.

(b) Property which is undervalued because of the use of a different valuation methodology or because of a different application of the same valuation methodology is not "escaped property."

(9) "Fair market value" means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both

having reasonable knowledge of the relevant facts, and includes the adjustment for intangible values under Sections 59-2-304 and 59-2-201 for real property assessed by the county assessor or the commission. For purposes of taxation, "fair market value" shall be determined using the current zoning laws applicable to the property in question, except in cases where there is a reasonable probability of a change in the zoning laws affecting that property in the tax year in question and the change would have an appreciable influence upon the value.

(10) "Farm machinery and equipment," for purposes of the exemption provided under Section 59-2-1101, means tractors, milking equipment and storage and cooling facilities, feed handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage tools, scales, combines, spreaders, sprayers, haying equipment, and any other machinery or equipment used primarily for agricultural purposes; but does not include vehicles required to be registered with the Motor Vehicle Division or vehicles or other equipment used for business purposes other than farming.

(11) "Geothermal fluid" means water in any form at temperatures greater than 120 degrees centigrade naturally present in a geothermal system.

(12) "Geothermal resource" means:

- (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade; and
- (b) the energy, in whatever form, including pressure, present in, resulting from, created by, or which may be extracted from that natural heat, directly or through a material medium.

(13) "Improvements" includes all buildings, structures, fixtures, fences, and improvements erected upon or affixed to the land, whether the title has been acquired to the land or not.

~~["Improvements" also includes a mobile home as defined in Section 59-2-601, located on land owned by the person who owns the mobile home. For purposes of this subsection "land owned" includes a vendee in possession of the land under a land contract.]~~

(14) "Intangible value" includes various fees, services, closing costs, and brokerage commissions related to a real property sales transaction.

(15) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.

(16) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable

mineral.

(17) "Mining" means the process of producing, extracting, leaching, evaporating, or otherwise removing a mineral from a mine.

(18) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts, sand, rock, gravel, and all carboniferous materials.

(19) "Personal property" includes:

(a) every class of property as defined in Subsection (20) which is the subject of ownership and not included within the meaning of the terms "real estate" and "improvements";

(b) gas and water mains and pipes laid in roads, streets, or alleys;

(c) bridges and ferries; and

(d) livestock which, for the purposes of the exemption provided under Section 59-2-1112, means all domestic animals, honeybees, poultry, fur-bearing animals, and fish.

(20) "Property" means property which is subject to assessment and taxation according to its value, but does not include moneys, credits, bonds, stocks, representative property, franchises, goodwill, copyrights, patents, or other intangibles.

(21) "Public utility," for purposes of this chapter, means the operating property of a railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline company, electrical corporation, telephone corporation, sewerage corporation, or heat corporation where the company performs the service for, or delivers the commodity to, the public generally or companies serving the public generally, or in the case of a gas corporation or an electrical corporation, where the gas or electricity is sold or furnished to any member or consumers within the state for domestic, commercial, or industrial use. Public utility also means the operating property of any entity or person defined under Section 54-2-1 except water corporations.

(22) "Real estate or property" includes:

(a) the possession of, claim to, ownership of, or right to the possession of land;

(b) all mines, minerals, and quarries in and under the land, all timber belonging to individuals or corporations growing or being on the lands of this state or the United States, and all rights and privileges appertaining to these; and

(c) improvements.

(23) "Residential property," for the purposes of the reductions and adjustments under this chapter, means any property used for residential purposes as a primary residence. It does not include property used for transient residential use or condominiums used in rental pools.

(24) (a) "State-assessed commercial vehicle" means:

(i) any commercial vehicle, trailer, or semitrailer which operates interstate or intrastate to transport passengers, freight, merchandise, or other property for hire; or

(ii) any commercial vehicle, trailer, or semitrailer which operates interstate and transports the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

(b) "State-assessed commercial vehicle" does not include vehicles used for hire which are specified in Subsection (7)(c) as county-assessed commercial vehicles.

(25) "Taxable value" means fair market value less any applicable reduction allowed for residential property under Section 59-2-103.

(26) "Taxing entity" means any county, city, town, school district, special taxing district, or any other political subdivision of the state with the authority to levy a tax on property.

(27) "Tax roll" means a permanent record of the taxes charged on property, as extended on the assessment roll and may be maintained on the same record or records as the assessment roll or may be maintained on a separate record properly indexed to the assessment roll. It includes tax books, tax lists, and other similar materials.

Section 3. Section **59-2-601** is amended to read:

59-2-601. Definitions.

As used in this part:

(1) "Manufactured home" means a transportable factory built housing unit constructed on or after June 15, 1976, according to the Federal Home Construction and Safety Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating,

air-conditioning, and electrical systems.

[(1)] (2) "Mobile home" means a [~~structure transportable in one or more sections with the plumbing, heating, and electrical systems contained intact within the structure~~] transportable factory built housing unit built prior to June 15, 1976, in accordance with a state mobile home code which existed prior to the Federal Manufactured Housing and Safety Standards Act (HUD Code).

[(2)] (3) "Permanently affixed" means anchored to, and supported by, a permanent foundation or installed in accordance with an installation standard as defined in Subsection 58-56-3(7).

Section 4. Section **59-2-602** is amended to read:

59-2-602. Qualification of manufactured home or mobile home as improvement to real property -- Requirements -- Removal from property.

(1) Any person owning a manufactured home or mobile home and owning the real property to which the manufactured home or mobile home is permanently affixed who seeks to have the manufactured home or mobile home qualify as an improvement to real property may file an affidavit of affixture with the county recorder of the county in which the real property is located.

(2) The affidavit of affixture shall contain:

- (a) the vehicle identification numbers of the manufactured home or mobile home;
- (b) the legal description of the real property to which the manufactured home or mobile home is permanently affixed;
- (c) a statement that the manufactured home or mobile home has not previously been assessed and taxed in this state as personal property or, if that is not the case, the name and address of the person to whom the last property tax notice for the manufactured home or mobile home was sent and the location of the manufactured home or mobile home when last taxed; and
- (d) a description of any security interests in the manufactured home or mobile home.

(3) The owner shall present the affidavit to the Motor Vehicle Division and surrender either the manufacturer's original certificate of origin or the title to the manufactured home or mobile home to the division. The division shall issue the owner a duplicate receipt for the surrendered certificate of origin or title and maintain a permanent record of the original receipt and the surrendered

certificate of origin or title.

(4) The owner shall present the original receipt of surrender and affidavit of affixture to the county recorder for recording.

(5) Upon recording of the affidavit of affixture and the receipt of surrender, the manufactured home or mobile home is for all purposes an improvement upon real property. A lien on the manufactured home or mobile home shall be perfected in the manner provided for the perfection of a lien on real property.

(6) If a manufactured home or mobile home owner separates the manufactured home or mobile home from the real property, the owner may acquire a new title by submitting to the division a recorded affidavit that the manufactured home or mobile home has been removed from the real property, together with an application for a new title.

Section 5. Section **59-2-604** is amended to read:

59-2-604. Tax clearance required to move manufactured home or mobile home.

(1) A manufactured home or mobile home may not be transported by any person, including its owner, unless a tax clearance has been obtained from the assessor of the county in which the property was last located showing that all property taxes, including any interest and penalties, have been paid. This tax clearance is proof of having paid all property taxes, interest, and penalties and shall be displayed in a conspicuous place on the rear of the manufactured home or mobile home so as to be plainly visible while in transit.

(2) (a) Any person, including the owner, who transports a manufactured home or mobile home without a valid tax clearance is in violation of Section 59-2-309 and is subject to the penalty provisions of that section.

(b) In addition to the penalty provided in Subsection (2)(a), any commercial mover who transports any manufactured home or mobile home without a valid tax clearance is guilty of a class B misdemeanor.

Section 6. Section **59-2-1114** is amended to read:

59-2-1114. Exemption of inventory or other tangible personal property held for sale.

(1) Tangible personal property present in Utah on the assessment date, at noon, held for sale

in the ordinary course of business or for shipping to a final out-of-state destination within 12 months and which constitutes the inventory of any retailer, wholesaler, distributor, processor, warehouseman, manufacturer, producer, gatherer, transporter, storage provider, farmer, or livestock raiser, is exempt from property taxation.

(2) This exemption does not apply to:

(a) inventory which is not otherwise subject to personal property taxation;

(b) mines; [or]

(c) natural deposits[-]; or

(d) a manufactured home or mobile home which is not sited at a dealer's lot or storage facility and which is sited at a location where occupancy could take place.

(3) As used in this section:

(a) "Assessment date" means:

(i) for tangible personal property and vehicles other than vehicles described in Subsection (ii), January 1; and

(ii) for vehicles brought into Utah from out-of-state, the date the vehicles are brought into Utah.

(b) "Inventory" means all items of tangible personal property described as materials, containers, goods in process, finished goods, severed minerals, and other personal property owned by or in possession of the person claiming the exemption.

(c) (i) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable mineral.

(ii) "Mine" does not mean a severed mineral.

(d) "Natural deposit" means a metalliferous or nonmetalliferous mineral located at or below ground level that has not been severed or extracted from its natural state.

(e) "Severed mineral" means any mineral that has been previously severed or extracted from a natural deposit including severed or extracted minerals that:

(i) are stored above, below, or within the ground; and

(ii) are ultimately recoverable for future sale.

(4) The commission may adopt rules to implement the inventory exemption.

Section 7. Section **59-2-1303** is amended to read:

59-2-1303. Seizure and sale -- Method and procedure.

Unless taxes or uniform fees on personal property assessed by the county assessor are paid or secured as provided under Section 59-2-1302, the assessor shall collect the taxes, including accrued interest and penalties, by seizure or seizure and subsequent sale of any personal property owned by the person against whom the tax is assessed. The assessor may seize that personal property on which a delinquent property tax or uniform fee exists at any time in order to protect a county's interest in that personal property. The sale of personal property shall be made in the following manner:

(1) (a) For all personal property, except manufactured homes and mobile homes as provided in Subsection (b), the sale shall be made:

- (i) at public auction;
- (ii) of a sufficient amount of property to pay the taxes, or uniform fees and interest, penalties, and costs;
- (iii) when practicable, in the city, town, or precinct where the property was seized; and
- (iv) after one week's notice of the time and place of the sale, given by publication in a newspaper having general circulation in the county, or by posting in three public places in the county.

(b) For manufactured homes and mobile homes that are used as a residence and that [~~do not qualify as an improvement upon real property as provided in Section 59-2-602]~~ are listed on the personal property roll of the county, the sale shall be made:

- (i) at public auction;
- (ii) when practicable, in the city, town, or precinct where the property was seized;
- (iii) no sooner than one year after the taxes on the property became delinquent as determined in Section 59-2-1302;
- (iv) after publication of the date, time, and place of sale in a newspaper having general circulation in the county, once in each of two successive weeks immediately preceding the date of

the sale; and

(v) after notification, sent by certified mail at least ten days prior to the first date of publication of the sale in a newspaper, to the owner of the manufactured home or mobile home, all lien holders of record, and any other person known by the assessor to have an interest in the manufactured home or mobile home, of the date, time, and place of the sale.

(2) For seizing or selling personal property the assessor may charge in each case the actual and necessary expenses for travel and seizing, handling, keeping, selling, or caring for that property.

(3) Upon payment of the price bid for any personal property sold under this section, the delivery of the property, with a bill of sale, vests title in the purchaser.

(4) All sale proceeds in excess of taxes, or uniform fees and interest, penalties, and costs shall be returned to the owner of the personal property, and until claimed shall be deposited in the county treasury and made subject to the order of the owner, the owner's heirs, or assigns.

(5) The unsold portion of any property may be left at the place of sale at the risk of the owner.

(6) If there is no acceptable purchaser of the property, the property shall be declared the property of the county. The county executive may sell or rent any property held in the name of the county at any time after the sale upon terms determined by the county legislative body.

Section 8. Repealer.

This act repeals:

Section 59-2-603, Mobile homes not qualifying as improvements to real property taxed as personal property.