## HOUSE BILL No. 2305

By Committee on Taxation

2-6

AN ACT amending the Kansas manufactured housing act; concerning certain certificates of title; amending K.S.A. 58-4214 and 58-4216 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) Notwithstanding the provisions of K.S.A. 58-4214, and amendments thereto, if a certificate of title was issued prior to January 1, 2003, for a manufactured home or mobile home and it can be established that:

- (1) The manufactured home or mobile home has been permanently affixed to real property, by placement upon a permanent foundation of a type not removable intact from such real property and the axles and wheels have been removed;
- (2) the manufactured home or mobile home is being taxed as real property; and
- (3) all personal property liens on the manufactured home or mobile home have been paid and released, then the ownership of the manufactured home or mobile home shall be an incident of ownership of real property where it is located under governing real property law. If the requirements of this section have been met, a separate security interest in the manufactured home or mobile home shall not exist and the manufactured home or mobile home shall only be subject to a lien as part of the real property where it is located.
- (b) The provisions of subsection (a) can only be established by the filing of an affidavit signed by all the owners of the manufactured home or mobile home and recorded in the office of the register of deeds of the county in which there is located the real property on which the manufactured home or mobile home is affixed.
- (c) If a certificate of title was issued prior to January 1, 2003, for a manufactured home or mobile home and the provisions of this section have not been complied with, then, in order to be treated as real property, the provisions of K.S.A. 58-4214, and amendments thereto, shall be compiled with.
- Sec. 2. K.S.A. 58-4214 is hereby amended to read as follows: 58-43 4214. (a) Except as provided in section 1, and amendments thereto, when-

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ever a manufactured home or mobile home is permanently affixed to real property, by placement upon a permanent foundation of a type not re-2 3 movable intact from such real property, the manufactured home or mobile home shall be considered for all purposes an improvement to real property, if the certificate of title which has been issued or is required to be issued for such manufactured home or mobile home pursuant to 6 K.S.A. 58-4204, and amendments thereto, is eliminated pursuant to this section. If the certificate of title has been eliminated pursuant to this 9 section, the ownership of the manufactured home or mobile home shall be an incident of ownership of the real property where it is located under 10 governing real property law. If the certificate of title has been eliminated 12 pursuant to this section, a separate security interest in the manufactured home or mobile home shall not exist, and the manufactured home or 13 mobile home shall only be subject to a lien as part of the real property where it is located.

- To eliminate a certificate of title which has been issued or is required to be issued for a manufactured home or mobile home pursuant to K.S.A. 58-4204, and amendments thereto, the owner of the manufactured home or mobile home shall make application to the division, including submission of the following:
- (1) An affidavit, in the form prescribed by the division, signed by all the owners of the manufactured home or mobile home, and also signed by all parties having a mortgage, lien or other security interest in the manufactured home or mobile home, as evidence of consent to the elimination of the certificate of title, and containing:
  - (A) The date:
- (B) the names of all the owners of record of the manufactured home or mobile home;
- (C) the legal description of the real property where the manufactured home or mobile home is located;
- (D) a description of the manufactured home or mobile home, including model year, make, width, length and identification number;
- (E) the names of all parties holding a security interest or otherwise entitled to a lien or encumbrance in the manufactured home or mobile home:
- (F) a statement that the owner or one of the owners of the manufactured home or mobile home owns the real property where the manufactured home or mobile home is or will be located; and
- the name and address of an owner, lending agency or other entity to which the approved application may be delivered;
- the certificate of title for the manufactured home or for the mobile home issued pursuant to K.S.A. 58-4204, and amendments thereto, or in the case of a new manufactured home, the manufacturer's statement

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- 2 where one or more parties have a security interest in the manu-3 factured home or mobile home, a release of each such secured party's security interest;
  - proof of payment of all applicable fees and taxes; and
  - any other information the division may reasonably require pursuant to duly adopted rules and regulations.
- The division shall approve the application for elimination of the title when all requirements of subsection (b) have been satisfied. After the application has been approved, the division shall deliver the approved application as directed by the application. The approved application shall be recorded in the office of the register of deeds of the county in which 12 13 there is located the real property on which the manufactured home or mobile home is affixed. Upon such recording, the certificate of title shall be presumed to be eliminated. If a certificate of title previously has been issued for the manufactured home or mobile home pursuant to K.S.A. 58-4204, and amendments thereto, the division also shall cancel such certificate of title.
- 19 Sec. 3. K.S.A. 58-4216 is hereby amended to read as follows: 58-20 4216. The provisions of K.S.A. 58-4214 through 58-4216 and section 1, and amendments thereto, shall be a part of and supplemental to the 21 22 Kansas manufactured housing act.
- 23 Sec. 4. K.S.A. 58-4214 and 58-4216 are hereby repealed.
- 24 Sec. 5. This act shall take effect and be in force from and after its publication in the statute book. 25