

810-4-2-.02 Manufactured Homes Subject to Ad Valorem Tax.

(1) All manufactured homes located on land owned by the manufactured home owner where the manufactured homes are not rented or leased for business purposes shall be subject to assessment for ad valorem tax purposes and the manufactured homes shall be considered as improvements to realty (Class III). Manufactured homes located on land owned by the manufactured home owner and used by the owner-occupant for business purposes are subject to ad valorem tax (Class II). Manufactured homes located on land owned by the manufactured home owner where the owner allows someone to occupy the home rent free shall be subject to ad valorem tax (Class III). Ownership interests in the manufactured home and the land must be the same for it to be assessed for ad valorem tax purposes. Manufactured homes assessed for ad valorem tax purposes shall be valued according to the Alabama Appraisal Manual and the manufactured homes shall be revalued on the same time schedule as other real property in the county.

(2) Valuations. Manufactured homes subject to ad valorem tax will be valued using the following procedures:

(a) Determine the classification of the home based on the construction quality of the manufactured home.

(b) Calculate the square footage of any appendages (porches, decks, or additions) and apply the appropriate decimal as specified in the Alabama Appraisal Manual. The square footage of the manufactured home added to the adjusted square footage of the appendages will equal the total adjusted area of the manufactured home.

(c) The total adjusted area of the manufactured home will be used to select the appropriate rate from the manufactured home rate table.

(d) The cost of any extra features will be determined using the Alabama Appraisal Manual or another market source.

(e) The cost of the manufactured home and appendages added to the cost of the extra features will result in the cost of the manufactured home.

(f) The cost of the manufactured home will be indexed using the manufactured home index provided by the Department. This index will be distributed to counties along with their reappraisal order. All other counties will use the index applicable during their last reappraisal.

(g) The indexed cost will be depreciated, resulting in the value to be used for ad valorem tax purposes.

(3) Ad Valorem Tax Decals.

(a) Every person, firm, or corporation who owns a manufactured home shall receive a decal upon the assessment of the manufactured home, upon the payment of the ad valorem tax on the manufactured home, or upon complying with the ad valorem tax laws where no taxes are due. There shall be no issuance fee paid for decals issued for manufactured homes subject to ad valorem tax. These individuals assessing a manufactured home for the first time will be issued a current year decal at the time of assessment and must either return to the courthouse during October, November, or December for a new decal or be mailed a new decal during October, November, or December.

(b) The ad valorem tax decal shall be proof of payment of all ad valorem taxes or proof of compliance with the ad valorem tax laws where no taxes are due. The ad valorem tax decal shall be displayed the same as the registration decal.

(c) A decal will no longer be required, when the identity of a manufactured home has changed and no longer can be valued using the Manufactured Home Rate Tables, but is more accurately valued using other sections of the Alabama Appraisal Manual.

(d) A decal will no longer be required when a manufactured home (for assessment purposes) is considered to have "no value."

(e) Owners of manufactured homes entering the state for the first time and owners of manufactured homes purchased from the stock of a dealer shall, within 30 days of entry or purchase, secure from the local manufactured home official the appropriate manufactured home decal and display the decal as required in regulation 810-4-2-.03.

(4) Unissued Ad Valorem Decals. At the end of each tax year, all unissued ad valorem decals must be retained by the county issuing official in a secure area of their office until a satisfactory audit has been completed by the Examiners of Public Accounts. Upon completion of a satisfactory audit by the Examiners of Public Accounts, all unissued decals must be immediately destroyed.

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