COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 574

(By Senators Tucker, Fitzsimmons and Edgell)

[Originating in the Committee on the Judiciary; reported February 20, 2014.]

A BILL to amend and reenact §11-5-12 of the Code of West Virginia, 1931, as amended; and to amend and reenact §17A-3-12b of said code, all relating to cancelling certificates of title for certain mobile and manufactured homes; clarifying that a mobile home permanently attached to the real estate by the owner may not be classified as personal property if the owner has filed a canceled certificate of title with the clerk of the county commission and the clerk has recorded the canceled certificate of title; and providing a procedure for returning a canceled title to an owner or lienholder.

Be it enacted by the Legislature of West Virginia:

That §11-5-12 of the Code of West Virginia, 1931, as amended, be amended and reenacted; and that §17A-3-12b of said code be amended and reenacted, all to read as follows:

CHAPTER 11. TAXATION.

ARTICLE 5. ASSESSMENT OF PERSONAL PROPERTY.

- §11-5-12. Mobile homes situate upon property owned by a person other than owner of mobile home.
 - 1 Mobile homes <u>situate</u> upon property owned by a
 - 2 person other than the owner of the mobile home shall be are
 - 3 classified as personal property whether or not said the mobile
 - 4 home is permanently affixed to the real estate and, unless
 - 5 subject to assessment as Class II property under section
 - 6 eleven of this article or section two, article four of this
 - 7 chapter, shall be are assessed as Class III or Class IV
 - 8 personal property, as may be appropriate in the
 - 9 circumstances.
 - 10 A mobile home permanently attached to the real estate of
 - 11 the owner may not be classified as personal property if the
 - 12 owner has filed a canceled certificate of title with the clerk of
 - 13 the county commission and the clerk has recorded it in the
 - 14 same manner as deeds are recorded and indexed.

CHAPTER 17A. MOTOR VEHICLE ADMINISTRATION, REGISTRATION, CERTIFICATE OF TITLE AND ANTITHEFT PROVISIONS.

ARTICLE 3. ORIGINAL AND RENEWAL OF REGISTRATION; ISSUANCE OF CERTIFICATES OF TITLE.

§17A-3-12b. Canceled certificates of title for certain mobile and manufactured homes.

1 The commissioner may cancel a certificate of title for a mobile or manufactured home affixed to the real property of 3 the owner of the mobile or manufactured home. The person 4 requesting the cancellation shall submit to the commissioner 5 an application for cancellation together with the certificate of title. The application shall be on a form prescribed by the 6 commissioner. The commissioner shall return one copy of the 7 8 cancellation certificate to the owner and shall send a copy of 9 the cancellation certificate to the clerk of the county 10 commission to be recorded and indexed in the deed book 11 same manner as a deed, with the owner's name being indexed 12 in the grantor index. The commissioner shall charge a fee of \$10 per certificate of title canceled. The clerk shall return the 13 14 recorded application to the owner, unless there is a lien 15 attached to the mobile or manufactured home, in which case 16 the recorded application shall be returned to the lienholder. 17 Upon recordation its recording in the county clerk's office,

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- 18 the mobile or manufactured home shall be treated for all
- 19 purposes as an appurtenance to the real estate to which it is
- 20 affixed and be transferred only as real estate and the
- 21 ownership interest in the mobile or manufactured home,
- 22 together with all liens and encumbrances on the home, shall
- 23 be transferred to and shall encumber the real property to
- 24 which the mobile or manufactured home has become affixed.

(NOTE: This bill clarifies that a mobile home permanently attached to the real estate by the owner may not be classified as personal property if the owner has filed a canceled certificate of title with the clerk of the county commission and the clerk has recorded the canceled certificate of title. The bill increases the fee charged by the Commissioner of the Division of Motor Vehicles for cancelling a title from \$10 to \$20. The bill provides that the Commission is to forward \$10 of each \$20 collected to the clerk of the county commission where the application for cancellation is recorded. The bill also establishes a procedure for returning the recorded application for cancellation.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.)