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### **\*\*IMPORTANT NOTICE\*\***

#### **FILE IT NOW - LEGISLATURE REQUIRES FILING OF LIENS ON MANUFACTURED HOMES**

**Tax liens must be filed by June 30, 2007 for 2006 taxes assessed against Manufactured Homes.**

If tax liens are not filed for the 2006 taxes by June 30, 2007

- Taxing units *will not be able to enforce tax liens* on Manufactured Homes to collect 2006 delinquent taxes.
- The owner of a Manufactured Home will be able to transfer title to the home *without first paying the 2006 taxes.*
- Anyone who either purchases a Manufactured Home from the owner or a repossessed Manufactured Home from a lender with a security interest on the Manufactured Home *will not have to pay taxes due against the Manufactured Home.*

Section 32.03(a-1), Property Tax Code requires Tax Assessor-Collectors to file tax liens for 2006 with the Texas Department of Housing & Community Affairs **on or before June 30, 2007**. Tax Assessor-Collectors **will not be able** to file tax liens for 2006 taxes after this date. *If a tax lien is not recorded, it will not be enforceable.* A taxing unit that does not record its liens will seriously compromise its ability to collect taxes on Manufactured Homes.

#### **FILING TAX LIENS**

MVBA urges its clients to file their tax liens on Manufactured Homes **as soon as possible** for two reasons:

- 1) Filing 2006 tax liens immediately will assure that 2006 taxes are paid upon transfer of title to the Manufactured Home.
- 2) Early filing will allow the tax offices to address any problems that may occur in the tax lien filing process.

Therefore the sooner the tax liens are filed, the sooner these problems can be addressed. Taxing units that wait until the last day to file potentially expose their tax liens to the risk that the liens on Manufactured Homes will not be enforceable and therefore, the taxes may not be collected.

The Texas Department of Housing & Community Affairs has provided for both manual and electronic recording of tax liens. Information on filing requirements can be found on the Department's Internet website along with an e-mail address to use when submitting tax-lien records electronically. This information can be found at:

[www.tdhca.state.tx.us/mh/tax-info.htm](http://www.tdhca.state.tx.us/mh/tax-info.htm)

Under the rules of the Department, taxing units filing either manually or electronically must include:

- 1) the label number and/or serial number of each Manufactured Home for which a tax lien is submitted for filing,
- 2) the jurisdiction code for each taxing unit that has a tax lien on a Manufactured Home, and

- 3) all tax accounts whether listed as a personal property account or real property account that includes taxes on a Manufactured Home, if the legal description includes the label or serial number of the Manufactured Home.

Taxing units should immediately consult with their computer software providers regarding this tax lien filing requirement in order that the rules of the Department may be reviewed and appropriate programming may be completed to file tax liens electronically. Taxing Units choosing to file their tax liens manually must use the form prescribed by the Department. The Department's website listed above contains the computer file layout requirements for electronic filing and forms for manually filing tax liens.

Taxing units and their software provider should take care to insure that the tax liens of all taxing units for which the tax office collects are transmitted to the Department - including accounts that are listed as personal property and those accounts listed as real property.

**FILING STATUS AS A CENTRAL TAX COLLECTOR  
FOR MULTIPLE TAXING UNITS**

The Department will allow tax offices that collect for multiple taxing units to file tax liens on behalf of multiple taxing units as a "Central Tax Collector". Those tax offices that wish to utilize the Central Tax Collector filing procedure must complete the form prescribed by the Department entitled "Notification of Filing Status as a Central Tax Collector" which may be found at the Department's website listed above. The Tax Office must select a primary taxing unit identification number. Tax Liens under the primary taxing unit identification number perfects the lien for the primary taxing unit as well as the other taxing units for which the primary taxing unit collects.

The attorneys and staff at MVBA, as always, are able and ready to assist our clients with these difficult issues. Should you have further questions on Manufactured Homes, please do not hesitate to contact us.