

Fee and Tax Waiver Program

Frequently Asked Questions

1. What is the Fee and Tax Waiver Program?

Effective January 1, 2017, through December 31, 2020, owners of manufactured homes and mobilehomes who have been unable to transfer title into their names due to delinquent taxes and fees that were incurred by prior owners, are eligible to apply to transfer registrations of their homes with the Department of Housing and Community Development (HCD) through the Fee and Tax Waiver Program. Applicants, if approved by HCD, will be relieved of all outstanding charges assessed by HCD and will only be required to pay a portion of the delinquent property taxes owed, less any penalties and interest. Effective January 1, 2020, it is prohibited if the applicant, or a previous owner, took ownership interest on or after January 1, 2017, pursuant to a warehouseman's lien.

2. What is the process for the applicant to be successful in applying for the Fee and Tax Waiver Program?

Manufactured home and mobilehome owners must submit an application along with the necessary documentation required by the Fee and Tax Waiver Program to obtain a Conditional Certificate of Title [[Health & Saf. Code, §18116.1\(4\)\(A\)](#)]. Applicants must then present the Conditional Certificate of Title to the tax collector whose responsibility it is to issue either a Tax Clearance Certificate or a Tax Liability Certificate after any taxes not waived under the program are paid [[Rev. & Tax Code, §5832\(a\)](#)]. Applicants then submit the Tax Clearance Certificate or Tax Liability Certificate, and the Conditional Certificate of Title back to HCD. Once all of the required documentation and either the Tax Clearance Certificate or Tax Liability Certificate is received by HCD, the applicants name will be listed as the registered owner and a new Certificate of Title and registration card will be issued to the applicant.

For more detailed information on Fee and Tax Waiver Program guidelines, see HCD's [Guidelines for Registration or Conditional Registration of a Manufactured Home/Mobilehome on Local Property Tax Fee and Waiver Program](#).

3. What taxes can the tax collector collect from the applicant?

[Revenue and Taxation Code section 5832\(f\)\(1\)](#) states that the tax collector shall issue a tax liability certificate after a Fee and Tax Waiver Program applicant pays the "taxes reasonably owed," which is the total amount of delinquent taxes due, minus penalties and interest, for the 2016 calendar year. If a Fee and Tax Waiver applicant did not have ownership during calendar year 2016, then there would be no "taxes reasonably owed."

4. When does the applicant become liable for property taxes again after being issued a Tax Clearance Certificate or Tax Liability Certificate?

After the applicant pays the “taxes reasonably owed”, and the tax collector has issued the Tax Clearance Certificate or Tax Liability Certificate, the applicant becomes liable for all taxes, penalties, and fees from the date printed on the certificate, and remains liable throughout ownership of the manufactured home or mobilehome [\[Rev. & Tax Code, §5832\(f\)\]](#).

5. What taxes are canceled as a result of the Fee and Tax Waiver Program?

All delinquent taxes, penalties and interest that accrued from the date of sale to the issuance of the Tax Clearance Certificate or Tax Liability Certificate, with the exception of any taxes accrued during the 2016 calendar year, should be canceled.

EXAMPLE PAYMENT CALCULATIONS:

Purchase date: 1/1/2000 | **Certificate Issuance date:** 10/1/2018

Previous owner liability: all taxes prior to 1/1/2000

Applicant liability: 2016 calendar year taxes (second installment of 15/16 fiscal year and first installment of 16/17 fiscal year)

Applicant billing begins: 10/1/2018

Certificate type issued: Tax Liability Certificate

Purchase date: 9/1/2015 | **Certificate Issuance date:** 5/1/2020

Previous owner liability: all taxes prior to 9/1/2015

Applicant liability: 2016 calendar year (second installment of 15/16 fiscal year and first installment of 16/17 fiscal year) taxes

Applicant billing begins: 5/1/2020

Certificate type issued: Tax Liability Certificate

Purchase date: 9/1/2016 | **Certificate Issuance date:** 8/1/2018

Previous owner liability: all taxes prior to 9/1/2016

Applicant liability: 9/1/2016 - 12/31/2016 taxes

Applicant billing begins: 8/1/2018

Certificate type issued: Tax Liability Certificate

Purchase date: 2/1/2018 | **Certificate Issuance date:** 8/1/2018

Previous owner liability: all taxes prior to 2/1/2018

Applicant liability: none

Applicant billing begins: 8/1/2018

Certificate type issued: Tax Clearance Certificate

6. Who is responsible for the delinquent taxes not canceled as a result of the Fee and Tax Waiver program?

Any taxes not canceled as a result of the Fee and Tax Waiver Program, that accrued up to the applicant's date of sale, remain the responsibility of any owner(s) of record prior to the applicant [[Rev. & Tax Code, §5832\(f\)\(3\)](#)].

7. What is the significance of the “date of sale” on the Conditional Transfer of Title if the official change of ownership occurs when the tax collector issues the Tax Liability Certificate?

The date of sale, mentioned in [Revenue and Taxation code §5832\(f\)\(1\)](#), is the date that will appear on the Fee and Tax Waiver Program applicant's Certificate of Title once it is issued by HCD. For the tax collector's purpose, it is important because it indicates how far back delinquent taxes must be canceled. It also indicates the ending date for which prior assesses are responsible for delinquent taxes.

8. If an applicant purchases a mobilehome or manufactured home in February 2017, but does not apply for the program until November 2020, will they be charged any taxes?

In this instance, no. Any taxes that accrued during that time will be canceled as a result of the program.

9. What is the expiration date of the Conditional Certificate of Title and the Tax Clearance or Liability Certificate?

If an applicant fails to submit a Tax Clearance Certificate or Tax Liability Certificate to HCD by December 31, 2020 [[Health & Saf. Code §18116.1\(d\)\(1\)\(b\)](#)], all conditional titles and certificates are void as of January 1, 2021. Therefore, the applicant becomes liable once again for the delinquent taxes attached to the mobilehome or manufactured home.

10. In addition to the accrued taxes allowed under the Fee and Tax waiver Program, can the applicant be charged for:

- **Additional assessed items such as land, porches, wells, outbuildings, etc.?**

The taxes on these items may be collected if the items qualify as accessories to the manufactured home, as defined in [Health and Safety Code section 18008.5](#). This is because [Revenue and Taxation Code section 5803](#) defines the “full cash value” of a manufactured home to include any value attributable to a manufactured home accessory building or structure. In other words, the tax on these items may be collected when the value of the items is included in determining the value of the manufactured home. If the items do not qualify as accessories, they may not be collected for purposes of obtaining a Tax Clearance Certificate under Revenue and Taxation Code section §5832(f).

- **Any special assessments that are attached to property tax bills such as sewer, fire, abatement or delinquency charges that are assessed for services received (these may be charged by a city or other entity)?**

Special assessments that are included in the manufactured home property tax bills may be included in the “taxes reasonably owed” under [Revenue and Taxation Code \(RTC\) section 5832\(f\)](#) because special assessments are part of the local property tax owed on the manufactured home. The “appropriate tax rate” for a manufactured home is determined under [RTC section 93](#) for the tax rate area in which the manufactured home is situated ([Rev. & Tax Code §5811](#)). The tax rate includes the 1% ad valorem property tax and bonded indebtedness ([Rev. & Tax Code §93](#)). Thus, special assessments are part of the appropriate tax rate for manufactured homes, and may be collected when included on the tax bill.

- **County tax collector charges such as mailing costs, recording fees, release of lien fees, cost of posting notices, etc.?**

Nothing in the Fee and Tax Waiver Program prohibits the counties from collecting their normal fees.

11. Who can I contact if I have more questions relating to this program?

For any questions related to the Fee and Tax Waiver Program, registration, and titling, contact the Department of Housing and Community Development, www.hcd.ca.gov, (800) 952-8356. For any questions related to tax liability, contact the State Controller’s Office, propertytax@sco.ca.gov.