

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1700
Committee Substitute Favorable 6/23/08

Short Title: Notice of Conversion of Manufact. Home Comm. (Public)

Sponsors:

Referred to:

April 19, 2007

A BILL TO BE ENTITLED

AN ACT TO REQUIRE NOTICE TO THE NORTH CAROLINA HOUSING
FINANCE AGENCY OF A CONVERSION OF A MANUFACTURED HOME
COMMUNITY AND TO PROVIDE A TAX CREDIT FOR THE SALE OF A
MANUFACTURED HOME COMMUNITY TO MANUFACTURED
HOMEOWNERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 42-14.3 reads as rewritten:

"§ 42-14.3. Notice of conversion of manufactured home communities.

(a) In the event that an owner of a manufactured home community (defined as a parcel of land, whether undivided or subdivided, that has been designed to accommodate at least five manufactured homes) intends to convert the manufactured home community, or any part thereof, to another use that will require movement of the manufactured homes, the owner of the manufactured home community shall give each owner of a manufactured home and the North Carolina Housing Finance Agency notice of the intended conversion at least 180 days before the owner of a manufactured home is required to vacate and move the manufactured home, regardless of the term of the tenancy. Failure to give notice as required by this section is a defense in an action for possession. The respective rights and obligations of the community owner and the owner of the manufactured home under their lease shall continue in effect during the notice period.

(b) Notwithstanding subsection (a) of this section, if a manufactured home community is being closed pursuant to a valid order of any unit of State or local government, the owner of the community shall be required to give notice of the closure of the community to each resident of the community and the North Carolina Housing Finance Agency within three business days of the date on which the order is issued."

SECTION 2. Part 2 of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-151.33. Manufactured home community sale; capital gain credit.

1 A taxpayer is eligible for a credit against the tax imposed by this Part if the taxpayer
2 makes a qualified sale of a manufactured home community and gives notice to the
3 North Carolina Housing Finance Agency of the sale. The credit is in the amount of
4 seven percent (7%) of the taxpayer's gain subject to federal income tax for the taxable
5 year. Credits in excess of the taxpayer's tax liability for the taxable year may be carried
6 forward for credit in the next succeeding three taxable years. "Qualified sale of a
7 manufactured home community" means the sale of land comprising a manufactured
8 home community that is transferred in a single purchase to a group composed of a
9 majority of the manufactured home community leaseholders or to a nonprofit
10 organization that represents such a group."

11 **SECTION 3.** Part 1 of Article 4 of Chapter 105 of the General Statutes is
12 amended by adding a new section to read:

13 **"§ 105-130.49. Manufactured home community sale; capital gain credit.**

14 A taxpayer is eligible for a credit against the tax imposed by this Part if the taxpayer
15 makes a qualified sale of a manufactured home community and gives notice to the
16 North Carolina Housing Finance Agency of the sale. The credit is in the amount of
17 seven percent (7%) of the taxpayer's gain subject to federal income tax for the taxable
18 year. Credits in excess of the taxpayer's tax liability for the taxable year may be carried
19 forward for credit in the next succeeding three taxable years. "Qualified sale of a
20 manufactured home community" means the sale of land comprising a manufactured
21 home community that is transferred in a single purchase to a group composed of a
22 majority of the manufactured home community leaseholders or to a nonprofit
23 organization that represents such a group."

24 **SECTION 4.** Sections 2 and 3 of this act are effective for taxable years
25 beginning on or after January 1, 2008, and expire on December 31, 2014. The remainder
26 of this act is effective when it becomes law.