



NEWS From Jeffrey Prang

LOS ANGELES COUNTY ASSESSOR

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LOS ANGELES COUNTY ASSESSOR JEFFREY PRANG URGES FAIRNESS IN ASSESSMENT, PASSAGE OF SENATE BILL 434

SACRAMENTO, CA – Today at 1:30pm, Los Angeles County Assessor Jeffrey Prang will testify before the California State Senate Transportation and Housing Committee on Senate Bill 434 (Allen). SB 434 would close a loophole in property assessment that currently allows a multi-million dollar structure built upon a mobile home chassis to be classified as a vehicle in order to avoid property taxes.

“A new multi-million dollar home is no longer a vehicle even if it is built around a pre-existing mobile home structure,” said Assessor Jeffrey Prang. “Some residents are unfairly taking advantage of current law in order to avoid paying property taxes. I support SB 434 which will restore fairness back into the system.”

To watch today’s hearing, please click here under “Transportation and Housing”: <http://senate.ca.gov/calendar?startdate=4-21-2015&enddate=4-21-2015>. A link to watch will become active once the hearing begins at 1:30pm.

“It’s dishonest to build a multi-million dollar structure around a mobile home chassis and still claim that it’s a vehicle for tax purposes,” said Senator Ben Allen, sponsor of SB 434. “These homes aren’t mobile, nor are they vehicles. SB 434 will close this loophole and ensure that owners of these homes pay their fair share of property taxes.”

Many older manufactured homes qualify as vehicles under the law. As such, they are subject to the Vehicle License Fee in lieu of local property tax. This is an important benefit to those manufactured home owners who may be on a fixed income – the Vehicle License Fee is typically quite low, less than \$100 per year.

Unfortunately, this benefit is being abused. Homes subject to the Vehicle License Fee have been purchased, demolished down to the underlying chassis, and a permanent foundation has been affixed around the chassis. Many of these homes are built with luxury features and are being sold for as much as \$4 million – yet retain the very low Vehicle License Fee and avoid being assessed as real estate.

If SB 434 is passed by the Senate Transportation and Housing Committee, the bill will move to the Senate Governance and Finance Committee.

Los Angeles County is the most populous and one of the most diverse counties in the United States with more than 10 million residents. The Office of the Assessor is responsible for valuing more than 2.6 million properties with a value of over \$1.2 trillion. For more information, please visit us online at <http://assessor.lacounty.gov/>, on Facebook at <http://www.facebook.com/LACAssessor>, or on Twitter at @LACAssessor.

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