



# Iowa Manufactured Housing Association

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## 2014 IMHA ANNUAL MEETING SCHEDULE

October 2014

**2014 IMHA Annual Meeting  
November 9 & 10  
Cedar Rapids Marriott Hotel  
Cedar Rapids, Iowa**

### Johnson County Technique

First it was Muscatine County, now it's the Johnson County Assessor who wants his hands on your income data. It's perfectly fine for the assessor to ask for it. What's wrong is to state that the income statement is mandatory. It is not mandatory. IMHA has checked this issue out with the Iowa Department of Revenue (DOR) on several occasions. As you'll recall from the August IMHA newsletter, the Muscatine County letter was particularly egregious, stating that compliance of income information was necessary to determine whether a manufactured housing community could be moved from commercial to multi-residential classification as of January 1, 2015. There is no determination to be made. Iowa law requires the new classification. Johnson County, in its letter to Modern Manor Community, cited Iowa Code 441.24 as the authority to ask for an income/expense statement. This code section is entitled "Refusal to furnish statement."

### Sunday, November 9<sup>th</sup>

1:00 p.m.

Registration

2:00- 5:00 p.m.

John Underwood

Selling in the Dodd – Frank  
World"

6:00 –6:30 p.m.

Reception

6:30 – 8:00 p.m.

Presidents' Banquet & Awards  
Ceremony

8:00 – 9:00 p.m.

Entertainment: Pippa White –  
"Voices From Ellis Island"

### Monday, November 10<sup>th</sup>

7:30 – 8:30 a.m.

Continental Breakfast

8:30 a.m. – Noon

Chrissy Jackson Community

Management Seminar

Noon – 1:30 p.m.

Lunch & Annual Business  
Meeting

It is easy to see that quoting this code section could cause the person receiving it to believe the income/expense data had to be sent to the assessor. The code section states the following: "If a person refuses to furnish the verified statements required in connection with the assessment of property by the assessor, or to list the corporation's or person's property, the director or revenue, or assessor, as the case may be, shall proceed to list and assess the property according to the best information obtainable, and shall add to the taxable valuation one hundred percent thereof....."

Reading this code section carefully, one finally realizes that it really has to do with an assessor trying to find out how many properties or which properties are owned by any one person or corporation. It's about securing the accurate information as to ownership of a property and how many properties are owned by a corporation or individual.

This technique by Johnson County is cleverer than the Muscatine County plan. But it is disingenuous to use these tactics to secure information that might be disadvantageous to the taxpayer. And even though Johnson County assured Modern Manor that income information would be confidential, the Iowa DOR pointed out to Muscatine County that such information may not be confidential since the information in question is

not legally required to be filed with a government agency.

The Iowa Department of Revenue has sent a letter to Johnson County very similar to the one sent to Muscatine County. The Iowa DOR letter stated that "the director did not prescribe the form you sent to taxpayers, nor has she approved it. The form is not a supplemental return, and therefore the assessor cannot require that taxpayers complete the form."

## **Veterans' Housing Credit**

IMHA has been working with the Iowa Finance Authority, IFA, on whether administrative rules can be changed so that the veterans' credit programs for housing can be used when a veteran chooses to use a manufactured home to be placed in a lease community. State law does not expressly prohibit the use. At least, IMHA didn't see any explicit prohibition. However, the IFA administrative rules do have roadblocks preventing such use.

## **IFA Response**

Deb Haugh, IFA Director For Single Family Housing, gave this statement as to why the IFA administrative rules could not be changed: "we have concluded that the current rules are consistent with the legislative intent for the

program and we do not intend to propose a change at this time."

Haugh added the following statement in her letter to IMHA: "There are a number of obstacles to affordably financing manufactured housing that lay outside our control, including the fact that this type of property cannot be financed using secondary market eligible mortgages and is classified differently under the tax code as personal property rather than real property. These types of assets are financed quite differently and it appears to us that the legislature was deliberately clear about which type of asset was eligible for purchase with state funds."

Haugh concluded her analysis by stating that the funds for the veterans' housing program are depleted before each fiscal year is completed. Therefore, there is not "a compelling case" to be made for changing the rules so that additional housing can compete for the funds.

Of course, our answer to that is let's allow the veterans to decide whether they want to use a manufactured home in a lease community.

Solving the personal property use of manufactured housing for veterans will have to take place in the Iowa Legislature.

Manufactured housing is eligible for the veterans' housing credit program through IFA if the manufactured home is placed on a permanent foundation on property owned by the veteran.