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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE NO. **1458**

February 26, 2007

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The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; providing for application of sales tax to sales of prefabricated
1.3 homes; amending Minnesota Statutes 2006, section 297A.62, subdivision 3.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. Minnesota Statutes 2006, section 297A.62, subdivision 3, is amended to
1.6 read:

1.7 Subd. 3. **Manufactured housing and; park trailers; prefabricated homes.** (a)
1.8 For retail sales of manufactured homes as defined in section 327.31, subdivision 6, for
1.9 residential uses, the sales tax under subdivision 1 is imposed on 65 percent of the dealer's
1.10 cost of the manufactured home.

1.11 (b) For retail sales of new or used park trailers, as defined in section 168.011,
1.12 subdivision 8a, the sales tax under subdivision 1 is imposed on 65 percent of the sales
1.13 price of the park trailer.

1.14 (c) For retail sales of prefabricated homes, the sales tax under subdivision 1 is
1.15 imposed on 65 percent of the manufacturer's wholesale list price of the prefabricated home
1.16 for sales to dealers. As used in this paragraph, a "prefabricated home" is a prefabricated
1.17 building subject to Minnesota Rules, chapter 1360 or 1361, that is intended for use as a
1.18 single-family dwelling.

1.19 **EFFECTIVE DATE.** This section is effective for sales made after June 30, 2007.