

SB 122 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Prepared By: Kyle Easton, Senior Economist

Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 3/12

WHAT THE MEASURE DOES:

Extends the sunset of the manufactured dwelling park closure credit by six years, from January 1, 2026 to January 1, 2032.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Manufactured Dwelling Park Closure Credit is a \$5,000 refundable tax credit available to owners of a manufactured dwelling where the manufactured dwelling was the owner's principal residence and the dwelling park is being closed and the rental agreement is being terminated by the landlord, or because of the exercise of eminent domain by order of a federal, state or local agency. The \$5,000 amount of the credit is reduced by any amount that was paid to the individual as compensation for the exercise of eminent domain. If more than one individual in a household qualifies for the credit, the amount of the credit is shared in proportion to each qualifying individual's respective gross income for the tax year.

The refundable tax credit for manufactured dwelling park closures was enacted in 2007 as part of a larger measure relating to manufactured parks. Whereas other portions of the measure were enacted with the policy purpose of maintaining the stock of manufactured dwelling parks, the purpose of the credit is to mitigate the costs to owners residing in manufactured dwellings parks at time of closing. More detailed information/analysis of the credit is available in the 2025 [Tax Credit Report](#) prepared by the Legislative Revenue Office.