



Revenue Information Bulletin
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Manufactured and Mobile Home Settlement Fund Claims

During the 2001 Regular Legislative Session, the legislature passed Act 1212 to resolve certain legal cases involving the sale of manufactured and mobile homes and to provide a rebate of sales tax for citizens that purchased such homes from January 1, 1998, through June 30, 2001. The actions filed against the state regarding sales tax collected by the Office of Motor Vehicles on purchases of manufactured and mobile homes are as follows:

Shirley M. Avants and Jim W. Miley, et al. v. John Neely Kennedy, Secretary, Department of Revenue and Taxation, State of Louisiana; and Elmer Litchfield, Sheriff of East Baton Rouge Parish, No. 434,575 (19th Judicial District Court Mar. 12, 1997);

Nancy C. Stevens and Edward Istre, Jr., et al. v. Brett Crawford, Secretary, Department of Revenue, State of Louisiana, No. 466,122 (19th Judicial District Court Nov. 2, 1999);

Darla M. Rossi, et al. v. Cynthia Bridges, Secretary, Department of Revenue, State of Louisiana, No. 478,526 (19th Judicial District Court Nov. 29, 2000); and

Jim W. Miley, Individually and on behalf of all others similarly situated v. John N. Kennedy, Secretary, Department of Revenue and Taxation, State of Louisiana, No. 4695 (La. Board of Tax Appeals Apr. 15, 1997).

A court order issued September 2, 1999, in the *Avants* case, instructed the Department of Revenue to deposit over \$10 million into escrow pending resolution of the cases. Subsequent court orders on October 29, 1999, and May 24, 2000, increased the escrowed amounts to over \$27 million. In an attempt to resolve the matter, the legislature passed Act 1212, which provides a settlement for the litigants and distributes the remains of the escrowed amounts to purchasers of manufactured and mobile homes from January 1, 1998, through June 30, 2001. The Act provides specific guidelines and procedures for resolving the lawsuits and issuing the rebates.

Act 1212 requires that the judgment rendered on February 5, 2001, in the *Avants* lawsuit be paid from the state funds deposited into escrow. The Department of Revenue fulfilled this obligation on August 14, 2001. After payment of this judgment and the issuance of a court order releasing the remaining funds from escrow, the balance of the escrowed state money will be deposited with the state treasury in a special account titled the "Manufactured and Mobile Homes Settlement Fund." This fund will first be used to issue payments to the litigants of the other legal cases. The Department of Revenue will calculate the total amount of state sales tax actually paid by the plaintiffs in the remaining legal actions and remit these amounts to the attorneys for each case. The attorneys will distribute the money to their clients. Any remaining money will be available for distribution to persons that purchased a manufactured or mobile home after December 31, 1997, and before July 1, 2001, and are not party to the above legal actions.

Act 1212 requires the Department of Revenue to mail letters to all potential claimants. The Office of Motor Vehicles provided a list of transactions involving mobile home purchases from January 1, 1998, through June 30, 2001. A letter will be sent to each person on the list notifying them of the ability to file a claim under the provisions of Act 1212. The Department anticipates mailing these letters on September 26, 2001.

Qualifying claimants must file a claim against the state to obtain a rebate of the state sales taxes paid on the purchase of a manufactured or mobile home. The Louisiana Board of Tax Appeals has authorized the Department of Revenue to accept these claims on behalf of the Board and will recognize all claims filed with the department in this matter as a claim against the state. Claimants do not need to file an additional claim with the Board of Tax Appeals. To carry out the terms of Act 1212, the Secretary of Revenue created the Manufactured and Mobile Homes Settlement Fund Claims Unit.

Claimants should complete the “Manufactured and Mobile Homes Settlement Fund” claim form and return it with a copy of the mobile home registration issued by the Office of Motor Vehicles, or some other documentation showing the amount of state sales or use tax paid. Because the form constitutes a claim against the state, it should be signed and dated by the person(s) filing the claim. Claimants do not need to hire an attorney to file a claim, although they are not prohibited from using one.

Claims can be mailed to the Louisiana Department of Revenue, Manufactured and Mobile Homes Settlement Claims Unit, P. O. Box 15409, Baton Rouge, Louisiana 70895-5409. Letters postmarked by December 31, 2001, will be treated as having been received timely. Claimants can also deliver their forms in person to the Department of Revenue or one of its regional offices on or before December 31, 2001. When delivering the form in person, claimants may request a date-stamped copy of the claim form for their records.

After the filing deadline, the department will send all claims, with its findings, to the Board of Tax Appeals for consideration. When the department is notified of the Board’s ruling on all of the claims filed, the amount of rebate to be issued will be calculated based on the formula described in Act 1212. The anticipated date for distribution of payments from the fund is March 2002.

The Department of Revenue has issued a **Declaration of Emergency** regulation to carry out the provisions of Act 1212. A copy of that regulation is available on the Department of Revenue web page at www.rev.state.la.us or in the Louisiana Register published September 20, 2001. A **Notice of Intent** was also published in the September issue of the Louisiana Register to implement the permanent rule.

Questions concerning this matter can be directed to the Manufactured and Mobile Home Settlement Fund Unit at 225.925.4873 or one of the following offices of the Department of Revenue:

Baton Rouge Main Office.....	330 North Ardenwood Drive.....	225.925.4873
		225.925.7533(TDD)
Baton Rouge Region.....	8490 Picardy Avenue, Building 600*	225.763.5700
Alexandria Region.....	900 Murray Street, Room B-100	318.487.5333
Lafayette Region	825 Kaliste Saloom Road, Brandywine III, Suite 150	337.262.5455
Lake Charles Region	One Lakeshore Drive, Suite 1550	337.491.2504
Monroe Region.....	122 St. John Street, Room 105	318.362.3151
New Orleans Region.....	1555 Poydras Street, Suite 900.....	504.568.7778
Shreveport Region	1525 Fairfield Avenue.....	318.676.7505
Thibodaux Region	1418 Tiger Drive	985.447.0976

*As of October 15, 2001, the new address and telephone number for the Baton Rouge Region will be:
 United Plaza Twelve Bldg., 8549 United Plaza Blvd., Suite 200, Baton Rouge, LA, 225.922.2300.