



Taxation of Camping Vehicles in Storage Areas

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Over the past several years, a number of campground owners have been taxed for camping vehicles stored overwinter. Lack of understanding has resulted in confusion and anxiety on part of both campground owners and tax assessors.

In some counties, assessors have not taxed stored camping vehicles, in others they have. Where assessed, the 50% of market value rule has generally been applied and the campground owner, as owner of the real property where the storage occurs, has been the party taxed.

The campground owner storing the vehicle should examine the tax law itself, or have his attorney interpret it, if there are questions regarding the procedures. When the assessor and the property owner are both unclear about the process, they are in a very poor position to discuss concerns over its use.

- E. Therefore, the assessor may properly assess camping vehicles to the owner of the campground on which they are located.
- F. Under existing legislation, licensing of the vehicle does not exempt it from taxation.
- G. Camping vehicles may also be properly assessed to their owner if located at the owner's home on tax day.
- H. Storage in a lot, field or other area separate from marked camping sites does not exempt the vehicle from taxation.

**The review and interpretation of the content of this Fact Sheet by Mr. John Person, Michigan State Tax Commission and Lawrence Morgan of the State Attorney General's office is greatly appreciated.*

FACTS

What are the basic *facts* dealing with the legislation?

- A. Assessment of all property in Michigan is covered by the General Property Tax law found at MCLA 211.1 et seq or MSA 7.1 et seq.
- B. Under the General Property Tax law any property not expressly exempt is taxable.
- C. Under Michigan law, property is assessed in the township or city where it is located on tax day, which is December 31 of each year.
- D. Section 2a of the General Property Tax law (MCLA 7.2(1); MSA 211.2a) pertains specifically to trailer coaches, mobile homes or camping vehicles and provides as follows:
"... trailer coaches . . . while located on land otherwise assessable as real property under this act, when such trailer coaches are used as habitations, and whether or not permanently affixed to the soil, shall be deemed to be real property and shall be assessed as part of the real property upon which they are located."



SOME CONSIDERATIONS

- A. Be sure to explain the taxing possibility to your clients who want you to store their camping vehicles.
- B. Your storage contract should have a clause which explains how you will collect if the vehicle is assessed, as a condition above and beyond the storage fee.
- C. You should collect from the vehicle owner to cover the taxable amount.
- D. Collection of the (for example \$3.00 a month) typical mobile home coach tax fee is not presumed to be a way to legally tax stored recreation vehicles since the laws covering the Mobile Home Court are different. If you are licensed for a campground, you can't use another law for the tax collections.
- E. Vehicles owned by you, stored in your campground on "tax day" (for example, if you have trade-ins or if you sell vehicles), are eligible for taxation.
- F. Motorized vehicles (with operable power plant) would not be stored normally in a campground during the tax assessing period.
- G. Fifth-wheelers stored in your campground on "tax day" (without truck) are eligible for tax assessment.