

SALES TAX FOR MODULAR HOMES

The sales tax will be collected by the vendor based on the rate at the point of delivery. The customer will receive a sales tax receipt. There is no excise tax on a modular home because they are not subject to title and registration as required under Title 47 of the Motor Vehicle Code.

Modular homes will be classified as real property or improvements on leased land and subject to all Ad Valorem taxes. Modular homes are not Manufactured or Mobile Homes and are not subject to Manufactured home requirements.

After November 1, 2004 the first 45% of the sale price will be exempt from sales tax.

Example:

Sale price	\$75,000.00
Exempt (45%)	<u>33,750.00</u>
Subject to Tax:	\$41,250.00
Sales Tax Rate	<u>.07555*</u>
Total Sales Tax	\$3,116.44

*all sales tax levies, city, state, local, at point of delivery

Modular homes are not subject to title and registration. If sales tax (not excise tax) was paid and the homeowner has a receipt, the home will be classified as modular and not manufactured.

Ref: 68 O.S., Section 1354.27

OTC Rule: 710:65-18-1; 65-18-2; 65-18-3