

HARDSHIP EXEMPTION APPLICATION

I, _____, being the owner and resident of the property listed below; apply for tax relief under MCL 211.7n of the General Property Tax Act. (The real and personal property of person(s) who, in the judgment of the supervisor and board of review, by reason of poverty are unable to contribute toward the public charges, are exempt from taxation under this act.)

PROPERTY TAX CODE: _____

PROPERTY ADDRESS: _____

APPLICATION REQUIRED DOCUMENTS CHECKLIST:

___ **FEDERAL INCOME TAX RETURN (PREVIOUS YEAR)*****

___ **STATE INCOME TAX RETURN (PREVIOUS YEAR)*****

___ **PROPERTY TAX CREDIT RETURN (PREVIOUS YEAR)**

___ **PROOF OF INCOME (MOST RECENT ONE MONTH PERIOD)**

***** Beginning in 2013 Federal and State income tax returns are not mandated for individuals that are not required to file income tax returns. The applicant(s) is instead required to complete Michigan Treasury form 4988 located at the end of this application along with the application and all of its other requirements.**

Marital Status: _____ **Phone ()** _____

Age of Applicant: _____ **Age of Spouse:** _____

Name of Spouse: _____

Number of Dependents: _____ **Age(s) of Dependents:** _____

PROPERTY INFORMATION:

Is the house paid for? _____ **Unpaid Balance:** _____ **Monthly Payments:** _____

Who all has ownership of the property _____

DO YOU OWN OR ARE YOU BUYING ANY OTHER PROPERTY? LIST BELOW

Property Address: _____

Assessed Value: _____ **Taxable Value:** _____

Amount Last Taxes Paid: _____

DO YOU EARN ANY INCOME FROM THE ABOVE LISTED PROPERTIES?

_____ - AMOUNT YEARLY

LIST ALL INCOME FROM SALARIES, SOCIAL SECURITY, RENTS, PENSIONS, UNEMPLOYMENT COMPENSATION, DISABILITY, GOVERNMENT PENSION, STATE PROGRAMS/ASSISTANCE, WORKER’S COMPENSATION, DIVIDENDS, CLAIMS AND JUDGEMENTS FROM LAWSUITS, ALIMONY, CHILD SUPPORT AND ANY OTHER SOURCES FOR ALL INDIVIDUALS LIVING IN THE HOUSEHOLD.

NAME OF EMPLOYER _____

ADDRESS AND PHONE _____

SOURCE OF INCOME	MONTHLY AMOUNT	YEARLY AMOUNT
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SAVINGS & INVESTMENT: List all savings owned by you or your spouse, including savings account, postal savings, credit union shares, certificates of deposit, cash, stock, bonds or similar investments:

NAME OF FINANCIAL INSTITUTION	AMOUNT	NAME ON ACCOUNT	VALUE OF INVESTMENT
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LIFE INSURANCE: List all policies held by you and your spouse.

Insured - Amt of Policy - Amt Paid Monthly - Paid up Policies? - Name of Beneficiary - Relationship to Insured?

MOTOR VEHICLES IN HOUSEHOLD:

YEAR	MAKE	MONTHLY PAYMENTS	BALANCE OWED
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LIST ALL PERSONS LIVING IN HOUSEHOLD:

*****All individuals that are not minors are required to submit income data listed at beginning of application.**

LAST NAME	FIRST NAME	AGE	RELATIONSHIP	PLACE OF EMPLOYMENT

PERSONAL DEBTS:

CREDITOR	PURPOSE OF DEBT	DATE OF DEBT	ORIGINAL BAL.	MONTHLY PAYMENT	BAL. OWED

MONTHLY EXPENSES:

Electric: _____ Food: _____ Phone: _____ Medical / Prescriptions: _____

Heat: _____ Water / Sewer: _____ Clothing: _____ Car Expenses: _____

OTHER (SPECIFY): _____

OTHER ASSETS: List all other assets and their values that are owned or controlled by you. (For Example: boats, coin collection, antiques, silver, jewelry, etc)

REASON FOR REQUESTING EXEMPTION

NOTICE: Any willful misstatements or misrepresentations made on this form may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

NOTICE: A copy of your latest federal income tax return, state income tax return (MI- 1040) and your Homestead Property Tax Credit Claim (MI-1040 1, 2, 3 or 4) **MUST** be attached as proof of income.

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The undersigned, being duly sworn, deposes and says that the statements make in the foregoing application are true and that he / she has no money, income or property other than mentioned herein.

Petitioner

Date

FOR BOARD OF REVIEW USE

Disposition by the Board _____ **Date:** _____

DENIED _____ REASON _____

APPROVED: _____ REDUCTION: _____ AMOUNT: _____

SUPERVISOR ____ CHAIRMAN BOR ____ MEMBER BOR ____ MEMBER BOR ____

Decisions may be appealed to the:

**MICHIGAN TAX TRIBUNAL
P.O. BOX 30232
LANSING, MI 48909**

Michigan Department of Treasury
4988 (05-12)

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer’s Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence:

Signature of Person Making

Affidavit Date

Dear Township Board,

10.22.2019

Enclosed please find the federal poverty guidelines for 2020 along with a copy of the hardship application. Annually, the Township Board must adopt guidelines to be used by the March Board of Review for calculating an applicant's eligibility for a poverty exemption from some or all property taxes. **This includes, adopting income guidelines, setting an asset level test and approving the application.** In upcoming State Tax Commission AMAR reviews will include an audit of hardship procedures adopted by the Township.

I have included the federal poverty guidelines for 2020 in the chart below. **I recommend setting the levels at the federal poverty guidelines.** Below, for your consideration, are the levels for 2020 including a 10%, 15% and 20% adjustment to those levels:

2020 Poverty Guidelines				
	Federal	10% Increase	15% Increase	20% Increase
Size of Family Unit	Poverty Guidelines	Poverty Guidelines	Poverty Guidelines	Poverty Guidelines
1	\$ 12,490	\$ 13,739	\$ 14,364	\$ 14,988
2	\$ 16,910	\$ 18,601	\$ 19,447	\$ 20,292
3	\$ 21,330	\$ 23,463	\$ 24,530	\$ 25,596
4	\$ 25,750	\$ 28,325	\$ 29,613	\$ 30,900
5	\$ 30,170	\$ 33,187	\$ 34,696	\$ 36,204
6	\$ 34,590	\$ 38,049	\$ 39,779	\$ 41,508
7	\$ 39,010	\$ 42,911	\$ 44,862	\$ 46,812
8	\$ 43,430	\$ 47,773	\$ 49,945	\$ 52,116
For each additional person	\$ 4,420	\$ 4,862	\$ 5,083	\$ 5,304

The process itself has not changed. It remains entirely in the authority of the March Board of Review to review applications. The applicant must complete an application and demonstrate they are below the board established income levels, but also demonstrate that they meet an asset level test. For example, an individual's annual income may fall below the approved threshold, but if they have a large sum of money in a bank account they should be responsible for paying property taxes like all other township residents. **The Township Board must set an asset level requirement. I recommend setting the asset level test at \$15,000.**

The March Board of Review will still have the authority to grant the exemption to individuals who may be slightly over these levels but have special circumstances such as unusually high medical or prescription expenses.

Sincerely,

Kyle Harris

Township/City Assessor