

OFFICE USE ONLY (Date Stamp)

City of Clawson

2021

Poverty/Hardship
Exemption Application

OFFICE USE ONLY

NAME:

PARCEL NUMBER:

**CITY OF CLAWSON
BOARD OF REVIEW**

City of Clawson Policy for Applicants Requesting Consideration Under SECTION 211.7u of the GENERAL PROPERTY TAX ACT OF 1893: THE MICHIGAN HOMESTEAD POVERTY EXEMPTION.

To be eligible, a person shall do all of the following on an annual basis:

1. Be an owner of and occupy, as a principal residence, the property for which an exemption is requested.
2. The subject property must be classified as a single family residential parcel or residential condominium property with a valid homeowner's Principle Residence Exemption (PRE) currently in effect.
3. File a completed application with the Board of Review on a form provided by the city or Oakland County Equalization. The form must be accompanied by all supporting documentation.
4. Submit the most recent year's copies of the following for all individuals living in the household:
 - a. Federal Income Tax Return-1040, 1040A or 1040E.
 - b. Michigan Income Tax Return-MI1040, MI1040A or MI1040EZ for all individuals residing in the homestead.
 - c. Michigan Homestead Property Tax Form MI-1040CR-1 (attached to the most current State Income Tax Return).
 - d. Statement from Social Security Administration and/or the Michigan Social Services as to monies paid to applicant(s) during the previous calendar year along with a current Form 4988 Poverty Exemption Affidavit (if this is the sole source of income).
5. Produce a copy of the applicant's valid driver's license or other form of identification such as a passport or State Identification Card if requested by the Board of Review.
6. Produce a copy of the deed, land contract, or other evidence of ownership of all real property owned by the applicant if requested by the Board of Review.
7. The Board of Review can request any other additional information including additional tax returns, financial statements, land contracts, personal or family trust documents, vehicle titles and any other records or affidavits that the Board may deem necessary in order to make a poverty exemption determination, asset limit determination or income level determination.
8. For applicants meeting the income level and asset test guidelines, the Board will approve a partial exemption. Those applicants granted an exemption will be required to pay a property tax based on a fifty (50%) percent reduction in taxable value for the tax year in which the exemption is granted.

9. A hardship exemption shall not be granted to an applicant whose investments will produce an income, which when added to the applicant's household income exceeds the HUD "Extremely Low Income" Limits.
10. A hardship exemption shall not be granted to any applicant who owns real property whether singly or jointly, regardless of location, other than his or her homestead.
11. Any reduction in the State Equalized Value of a property is granted for one year only and must be applied for and reviewed annually.
12. Poverty exemption applications shall be filed after January 1, but one day prior to the last day of the Board of Review.

**OAKLAND COUNTY
2021 HUD INCOME LIMITS**

**ESTABLISHED BY THE U.S. DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

(Effective: 4/1/21)

PERSONS PER HOUSEHOLD	EXTREMELY LOW INCOME (30%)
1	16,800
2	19,200
3	21,960
4	26,500
5	31,040
6	35,580
7	40,120
8	44,660

ASSETS - the total value of the assets of the applicant and each member of the applicant's household shall not exceed \$50,000. Excluding the property for which the exemption is requested and the principal vehicle BUT including all other property; including from all other persons residing in the household. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, certificates of deposit, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreation vehicles, second homes, cottages or any other saleable real property or other tangible items.

REQUIRED DOCUMENTS

Hardship Exemption applicants shall submit copies of the documents listed below to be considered for eligibility. For each member of the household, please attach copies of the applicable documents to your application.

- ASSESSMENT CHANGE NOTICE
- CURRENT YEAR FEDERAL INCOME TAX RETURN
- CURRENT YEAR MICHIGAN INCOME TAX RETURN
- CURRENT YEAR GENERAL HOMESTEAD PROPERTY TAX MI-1040CR
-or- SENIOR CITIZEN HOMESTEAD PROPERTY TAX MI-1040CR-1
- STATEMENT FROM SOCIAL SECURITY ADMINISTRATION AND/OR THE MICHIGAN SOCIAL SERVICES AS TO MONIES PAID TO APPLICANT(S) DURING THE PREVIOUS CALENDAR YEAR, ALONG WITH A CURRENT FORM 4988 POVERTY EXEMPTION AFFIDAVIT (IF THIS IS THE SOLE SOURCE OF INCOME)

IN ADDITION, PLEASE INCLUDE DOCUMENTATION OF OTHER INCOME SOURCES FOR ALL MEMBERS OF THE HOUSEHOLD.

Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION: Petitioner must list all required personal information.

Petitioner's Name:		Daytime Phone Number:		
Age of Petitioner:	Marital Status:	Age of Spouse:	Number of Legal Dependents:	
Property Address of Principal Residence:		City:	State:	ZIP Code:
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit:		

PART 2: REAL ESTATE INFORMATION: List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.

Property Parcel Code Number:		Name of Mortgage Company:		
Unpaid Balance Owed on Principal Residence:	Monthly Payment:	Length of Time at this Residence:		
Property Description:				

PART 3: ADDITIONAL PROPERTY INFORMATION: List information related to any other property owned by you or any member residing in the household.

<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below			Amount of Income Earned from Other Property:	
1	Property Address:	City:	State:	ZIP Code:
	Name of Owner(s):	Assessed Value:	Date of Last Taxes Paid:	Amount of Taxes Paid:
2	Property Address:	City:	State:	ZIP code:
	Name of Owner(s):	Assessed Value:	Date of Last Taxes Paid:	Amount of Taxes Paid:

PART 4: EMPLOYMENT INFORMATION: List your current employment information.

Name of Employer:			
Address of Employer:	City:	State:	ZIP Code:
Contact Person:	Employer Telephone Number:		

PART 5: INCOME SOURCES: List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

Source of Income	Monthly or Annual Income (indicate which)

PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION: List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.

Name of Financial Institution or Investments	Amount of Deposit	Current Interest Rate	Name on Account	Value of Investment

PART 7: LIFE INSURANCE: List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

PART 8: MOTOR VEHICLE INFORMATION: All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

PART 9: HOUSEHOLD OCCUPANTS: List all persons living in the household.

First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 10: PERSONAL DEBT: List all personal debt for all household members.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 11: MONTHLY EXPENSE INFORMATION: The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare	Car Expenses (gas, repair, etc.)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

NOTICE: Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

PART 12: POLICY AND GUIDELINES ACKNOWLEDGMENT:

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

<input type="checkbox"/> The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 13: CERTIFICATION:

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from the property taxes pursuant to Michigan Compiled Law, Section 211.7u.		
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Printed Name	Signature	Date

This application shall be filed after January 1, but before the day prior to the last day of the local unit’s December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
PO Box 30232
Lansing MI 48909

Phone: 517-335-9760
E-mail: taxtrib@michigan.gov

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