

OFFICE USE ONLY (Date Stamp)

Southfield Township

2024

Poverty/Hardship
Exemption Application

OFFICE USE ONLY

NAME:

PARCEL NUMBER:

Southfield Township

OFFICERS

James M. O'Reilly, *Supervisor*
Sharon Tischler, *Clerk*
Janet Mooney, *Treasurer*

TRUSTEES

Bonnie Cook
Daniel Nelson
Paul A. Newitt
Jon M. Oen

MEMO

TO: Southfield Township Board of Trustees
FROM: James O'Reilly, Township Supervisor
DATE: January 9, 2024
RE: Poverty Exemption Guidelines

The Township Poverty Guidelines provide the potential for the Board of Review to grant property tax reductions for persons with assets less than two hundred fifty thousand dollars and whose income does not exceed the federal poverty income standards as of 11/14/2023. In April of 2021, following recommendations from the Board of Review, it was decided that an adjustment to those standards was necessary and the Board of Trustees adopted the Township standards for poverty exemptions would follow the Federal Poverty Income Standards issued by the OMB, multiplied by a rate of 250% (x 2.5). Those standards, and proposed adjusted standards are specified below.

Suggested Resolution:

WHEREAS, the Board of Review recognizes a need to have available a procedure by which residents can make application for property tax relief, and

WHEREAS, MCL 211.7u(1) defines poverty or hardship exemption as a method to provide relief for those who, in the judgment of the Board of Review are unable to fully contribute to the annual property burden of their principal residence due to their financial situation, and

WHEREAS, by statute, procedures and guidelines for financial hardship appeals for property tax relief must be approved by the Board of Trustees, and

WHEREAS, income guidelines to be utilized by the Board of Review have been established in accord with PA 390 of 1999 and PA 253 of 2020, and

WHEREAS, the Southfield Township Board of Trustees has determined in April 2021 that, while the Federal Poverty standards issued by the OMB each year should be adopted, they should be adjusted by a rate of 250%

Southfield Township

OFFICERS

James M. O'Reilly, *Supervisor*
Sharon Tischler, *Clerk*
Janet Mooney, *Treasurer*

TRUSTEES

Bonnie Cook
Daniel Nelson
Paul A. Newitt
Jon M. Oen

NOW, THEREFORE BE IT RESOLVED by Cook, supported by Chalifoux that poverty or hardship exemption applicants must meet the Federal Poverty Income Guidelines issued by the OMB as of 11/14/2023, multiplied by a rate of 250% (x 2.5). Those proposed income standards are listed below.

ROLL CALL:

Ayes: Harryvan, Chalifoux, Nelson, Cook, Newitt, Oen, O'Reilly

Nays: None

Absent:

<u>size of family unit</u>	<u>Federal poverty Income guidelines for 2024</u>	<u>250% poverty amount</u>
1	\$ 14,580	\$ 36,450
2	\$ 19,720	\$ 49,300
3	\$ 24,860	\$ 62,150
4	\$ 30,000	\$ 75,000
5	\$ 35,140	\$ 87,850
6	\$ 40,280	\$100,700
7	\$ 45,420	\$113,550
8	\$ 50,560	\$126,400
for each additional person, add	\$ 5,140	\$ 12,850

Adopted: January 9, 2024

SOUTHFIELD TOWNSHIP BOARD OF REVIEW

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

APPLICATION PROCEDURES AND GUIDELINES

1. All applicants must obtain the proper current application from the Township's office, website or Oakland County Equalization. Physically disabled or infirmed applicants may call the Township office to make necessary arrangements for assistance. Applications will be accepted after January 1st through the day prior to the last day of the Board of Review.
2. Applicants will NOT be eligible for consideration if their income as reported on their income tax forms are greater than two and a half (2.5x) times the most current Federal Poverty Guidelines from the prior tax year determined annually by the United States Office of Management and Budget, to be updated annually. The annual allowable income includes the income for all persons residing in the principal residence.
3. Hardship exemption shall not be granted if the total value of the assets of the applicant and each member of the applicant's household exceed \$250,000. 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, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreation vehicles, second homes, cottages or any other saleable real property or other tangible items.
4. If a person meets the eligibility requirements, the Board may grant 100%, 50% or 25% exemption.
5. All applicants must be the property's OWNER and reside therein.
6. All applicants must fill out an application form in its entirety and return it either in person or by mail if physically unable to appear before the Board of Review.
7. Applicants MUST submit the most recent year's copies of the following for ALL residing in the Homestead:
 - a. Federal Income Tax Return-1040 or 1040A or 1040E.
 - b. Michigan Income Tax Return-MI1040, MI1040A or MI1040EZ.
 - c. Either a Senior Citizens Homestead Property Tax Form MI-1040CR-1 or General Homestead Property Tax Claim MI-1040CR-4.
 - d. Statement from Social Security Administration and/or the Michigan Social Services as to monies paid to applicants during the previous year, and a signed Form 4988 (attached).
8. Produce a valid driver's license or Michigan State Identification card for all persons residing in the household if the board requests it.

9. Produce a deed, land contract or other evidence of ownership of the property if the board requests it.
10. A poverty exemption will be considered for the current year only. A new application must be submitted annually.
11. The applicant may be required to comply with any additional eligibility requirements as determined by the Township Board.

POVERTY APPLICATION CHECK LIST

Applications may be filed w/ this office beginning January 1, but in no event later than the day prior to the last day of the Board of Review.

Applicants must submit most recent year's copies of the following for all persons residing in the homestead:

- Completed Signed Poverty Exemption Application.
- Most recent year copy of Federal Income Tax Return – 1040 or 1040A for all persons residing in the home. (Please include supporting documents i.e. W-2 Forms, 1099 Forms).
- Most recent year copy of State of Michigan Income Tax Returns for all persons residing in the home.
- Copy of filed Senior Citizens Homestead Property Tax Form MI-1040CR-1
- or General Homestead Property Tax Claim MI-1040CR-4MI-1040-CR.
- If applicant did not file Michigan State Income Tax Return, they MUST provide an annual statement of benefits paid from the Social Security Administration or Michigan Department of Social Services and must sign State of Michigan Form 4988 Poverty Exemption Affidavit (attached).
- W-2 Forms (Do not need if on Social Security).
- The applicant must supply a copy of current driver's license or other form of valid identification if requested.
- If requested, the applicant must provide a deed, land contract or other evidence of ownership of the property they are claiming the poverty exemption for.

* All requested information must be included with Poverty Exemption Application. Without the above information the Board will not consider your application.

2024 FEDERAL POVERTY GUIDELINES

US Department of Health & Human Services

STC Bulletin 18 of 2023

Size of Family Unit	2.5x Federal Poverty Guidelines
1	\$ 36,450
2	\$ 49,300
3	\$ 62,150
4	\$ 75,000
5	\$ 87,850
6	\$ 100,700
7	\$ 113,550
8	\$ 126,400
For each additional person	\$ 12,850

Asset Limit: the total value of the assets of the applicant and each member of the applicant's household shall not exceed \$250,000. 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, recreational vehicles, second homes, cottages or any other saleable real property or other tangible items.

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.		
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

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION — Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County	
Name of Local School District			
Parcel Identification Number		Year(s) Exemption Previously Granted by Board of Review	
Homestead Property Address	City	State	ZIP Code
PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)			
<input type="checkbox"/> I own the property in which the exemption is being claimed.			
<input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.			
<input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)		Signature of Owner or Legal Designee	Date
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax Year(s) exemption will be posted to tax roll	
CERTIFICATION — I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	