

## 2023 POVERTY APPLICATION

If you did not already apply for the 2023 tax year, the law now allows a resident to apply for a 2023 Poverty in 2024.

- The application will be reviewed at the Board of Review meetings held in July or December of 2024.
  - If you qualify, the taxes will be reduced by 75%, NOT reduced to zero.
  - If you have delinquent taxes, you should contact the Wayne County Treasurer's office to inquire about making a payment plan.
  - You must provide the following information per the instructions and fill out the application in its entirety.
- 
- Attached is the 2023 Poverty Application and Guidelines
  - Your application will not be considered complete unless **all required and supporting documentation is submitted and the application is filled out in its entirety.** Incomplete Applications can result in a Denial.
  - Proof of Income must be provided. This includes all forms of income and assistance.
  - File most recent Tax Return. If no return is required make sure you fill out the FORM 4988 included with the application.
  - If a document requested is not available, please indicate Not Available and reason given. If no bank account, you must provide proof of how income is received. Provide statement(s)
  - Please do not leave a box on the application blank. If it does not apply, please indicate NA or Does Not Apply.
  - If you qualify, the Taxable Value will be reduced by 75%

You can submit your application to one of the following Board of Review meetings.

- March Board of Review (deadline to submit March 27, 2023 by 3:00 p.m.)
- July Board of Review (deadline to submit JULY 1, 2023)
- December Board of Review (deadline to submit DEC 1, 2023)

Please submit using one of the following options:

- Submit Directly to City Hall In Person
- Mail to City Hall to the Attention of the Assessor (must be received by deadline, Post Marks not Accepted)
- Drop Box located in the front lobby of City Hall
- Email to: [assessing@harperwoods.net](mailto:assessing@harperwoods.net)

You may request to meet with the Board in person or it may be requested by the Assessor or Board of Review if necessary.

If you have any questions or need assistance please contact the Assessor on Wednesday during office hours 9:00 a.m. – 5:00 p.m. at 313.343.2527 or email; [assessing@harperwoods.net](mailto:assessing@harperwoods.net)

# City of Harper Woods Application for Poverty Exemption

## GUIDELINES AND INSTRUCTIONS FOR POVERTY EXEMPTION – 2023

- If granted an exemption, it is for the current year only. If your situation warrants an exemption in years following, a new application must be submitted for review. The Poverty exemption is meant to be a temporary form of assistance. If an applicant qualifies, the Taxable Value will be reduced by 75%.
- Per, MCL 211.7u(3), the application for consideration must be received by the Assessor's Office at least one day prior to the last session of the Board of Review. Board of Review dates are posted annually and may also be found on the City's website: [harperwoodscity.org](http://harperwoodscity.org) or by calling (313) 343-2500. This application can be made by mail, if received one day prior to the last session of the Board of Review.
- The application must be filled out in its entirety and all requested documentation must be attached. If an area does not apply to the applicant, "N/A" must be used. If the application is not complete or requested documentation is not included, the Board of Review will deny the exemption. All pages included with this application must be returned when the application is submitted for review.
- Per MCL 211.7u(7), a person who files a claim for Poverty exemption IS NOT prohibited from also appealing the assessment on the property to the Board of Review in the same year.

### Required Documentation to be Attached to Poverty Exemption Application Form 5737

- Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence must be included with the application including any property tax credit returns. The tax returns may be from the current or preceding tax year. If any person in the household is not required to file federal or state tax returns, the included affidavit, form 4988, must be completed by each person that does not file taxes.
- Form 5739 Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty
- The last (3) months of statements for all bank accounts, investments, IRAs, CDs, 401Ks, money market, annuities, etc. The statement submitted must be complete with no missing pages and submitted for all persons residing in the home. Statements should show all transactions throughout the month(s)
- Proof of Income/Assets from the Social Security Administration, Veterans Administration, Medicare, Medicaid, Bridge Card, and any College/University scholarships for all persons residing in the home. **MUST PROVIDE PROOF OF INCOME to support what is being reported on the application.**
- The most recent mortgage statement of the primary residence under review, including any reverse mortgages.
- If primary residence being sought for exemption was purchased within the past two years of this application, homeowner's closing statements must be submitted with application.

### Common Reasons for Denial of Poverty Exemption Application

Below are common reasons (but not an exhaustive list) of why a claim for Poverty Exemption is denied:

- Failure to fill out all areas of the application, including "N/A" in areas not applicable to the applicant or signing the application.
- Failure to include State and Federal Income taxes or property tax credit returns for current or one preceding year for all persons residing in the home. Please note that the property tax credit returns should be filed with this application. Property tax credit returns (such as Michigan 1040CR) can still be filed with the State of Michigan even if the applicant does not file income taxes.
- Failure to include complete banking/investment account and mortgage statements for all persons residing in the home. All pages must be submitted.



## ASSET LEVEL GUIDELINES FOR POVERTY EXEMPTION

*The Asset Level does not include the primary residence for which exemption is being sought. It does include, but is not limited to:*

- A second home, additional land not associated with the primary residence, or other buildings other than the primary residence being sought for exemption.
- Vehicles and other recreational vehicles such as motor homes, campers, ATVs, boats, and motorcycles.
- Jewelry, antiques, artwork, equipment, and other personal property of value.
- Bank accounts, stocks, bonds, and investments. This also includes the money received from the sale of stocks, bonds, investments, cars, and houses unless a person is in the specific business of selling such property.
- Withdrawals of bank accounts and borrowed money.
- Gifts, loans, lump-sum inheritances, and one-time insurance payments.
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches.
- The total interest income in all accounts (checking, savings, CDs, IRAs, 401Ks, money market, annuities, etc.)
- The applicant shall not have ownership interest in any real estate other than the primary residence being considered for exemption.

Maximum total allowed liquid assets, specifically amounts in banking/investment accounts may not exceed the amount of projected 2023 taxes PLUS 50% for the entire household. Other assets may not exceed the qualifying amount for poverty exemption. See above for what is considered an asset.

## CITY OF HARPER WOODS GUIDELINES FOR POVERTY EXEMPTION

*Published annually with an increase of 15% for (1) member household ONLY*

<u>Number in Family</u>	<u>Income</u>
1 member	\$15,628
2 members	\$18,310
3 members	\$23,030
4 members	\$27,750
5 members	\$32,470
6 members	\$37,190
7 members	\$41,910
8 members	\$46,630
Each Additional person	\$4,720

## FEDERAL INCOME GUIDELINES FOR POVERTY EXEMPTION

*This amount published annually by the US Dept. of Health and Human Services*

<u>Number in Family</u>	<u>Income</u>
1 member	\$13,590
2 members	\$18,310
3 members	\$23,030
4 members	\$27,750
5 members	\$32,470
6 members	\$37,190
7 members	\$41,910
8 members	\$46,630
Each Additional person	\$4,720

According to the US Census Bureau, "income" includes:

- Money, wages, and salaries before any deductions
- Net receipts from non-farm self-employment. (These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.)
- Net receipts from farm self-employment. (The same provisions as above for self-employment.)
- Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments and public assistance.
- Alimony, child support, and military family allotments.
- Private pensions, governmental pensions, and regular insurance or annuity payments.
- College or university scholarships, grants, fellowships, and assistantships.
- Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

## Resident Assistance Information

United Community Housing Coalition, assists residents in all of Wayne County who are dealing with property tax issues. Residents can call the tax hotline number at 313-405-7726.

For other Assistance including filing tax returns:

- Wayne Metro can be reached at 313-388-9799 or sign up for an appointment at <https://www.waynemetro.org/taxes/>.
- Accounting Aid Society can be reached at their website [accountingaidsociety.org](http://accountingaidsociety.org) where someone can make an appointment.

## 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.

<b>PART 1: PERSONAL INFORMATION</b> — 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			
<b>PART 2: REAL ESTATE INFORMATION</b>					
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					
<b>PART 3: ADDITIONAL PROPERTY INFORMATION</b>					
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	

Continue on Page 2



**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 on 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

Continue on Page 3

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 Expense (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)	

Continue and sign on Page 4



**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 11: 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.

☐ 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 12: 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 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](mailto: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.

<b>PART 1: OWNER INFORMATION</b> — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
<b>PART 2: LEGAL DESIGNEE INFORMATION</b> (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
<b>PART 3: HOMESTEAD PROPERTY INFORMATION</b> — 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
<b>PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS</b> (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.			
<b>PART 5: CERTIFICATION</b>			
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.			
<b>LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)</b>			
<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	
<b>CERTIFICATION</b> — 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	



# CITY OF HARPER WOODS

## Poverty Exemption Worksheet

Applicants Name: \_\_\_\_\_

Address: \_\_\_\_\_

Year Applying: \_\_\_\_\_

Parcel # \_\_\_\_\_

*For Board of Review Use Only - Do Not Write Below This Line*

	COMMENTS
1. Does the applicant appear as taxpayer of record of property?	Yes _____ No _____
2. If not, has documentation been verified proving ownership?	Yes _____ No _____
3. Are all areas on the application complete with either an answer or "N/A" (You must provide an answer for each section of the application or indicate N/A if not applicable)	Yes _____ No _____
4. Are all pages of the application been submitted?	Yes _____ No _____
5. Does the applicant reside at the property?	Yes _____ No _____
6. Are copies of the Federal and State Income Tax Returns and Property Tax Credit Form(s) for the current or preceding tax year submitted for the applicant and all persons residing in the household?	Yes _____ No _____
7. If not, is the Affidavit stating the person is not required to file income taxes completed and submitted?	Yes _____ No _____
8. If there is a current mortgage on the property, if requested has the mortgage statement been provided? If not requested, indicate N/A	Yes _____ No _____
9. Are copies of the most recent bank/investment statements been provided by the applicant?	Yes _____ No _____
10. Has proof of income been provided by the applicant?	Yes _____ No _____

a. Taxable Value on the Roll	\$ _____	Taxable Value
b. Number of People in Household	_____	# In Household
c. Total Household Income	\$ _____	Total Household Income
d. Income Guidelines based on the number of people in household	\$ _____	Income guidelines based on # people
e. Total Assets	\$ _____	Total Assets (Savings, Invest, etc)
f. Does Applicant Meet All Income and Asset Guidelines as Established	YES <input type="checkbox"/> NO <input type="checkbox"/>	
g. If approved, taxable value is reduced by 75%	\$ _____	Revised Taxable Value

Request for Reduction Approved	<input type="checkbox"/> Yes	Reason for Denial: _____ Does Not Qualify Based on Guidelines _____ Application not Complete or Missing Information _____ Did not Provide Proper Documentation Other: _____
	<input type="checkbox"/> No	