

POVERTY EXEMPTION APPLICATION INSTRUCTIONS

The Application for a One Year Poverty Reduction has been modified to comply with requirements of the State of Michigan and Northfield Township policy regarding the poverty exemption.

To be considered for a Poverty exemption, the following information **MUST** be provided:

1. Complete all sections of this application in full; be sure to sign the application.
2. Submit a completed and signed copy of the following **three weeks prior** to a Board of Review meeting:

Most recent **signed** and **filed**:

Michigan Income Tax Return **and** Homestead Property Tax Credit Claim (MI 1040 CR)

**this form is required to file a claim for poverty exemption.

Federal Income Tax Return (1040)

**this form is required to file a claim for poverty exemption.

Federal Income Tax Return (1040) for all occupants of the household.

**these forms are required to file a claim for poverty exemption.

3. When an occupant of the household is not employed but has income from another source, you must list the income in “Annual Income” on page 1 of your application and it must also be shown on page 3 under the “Household Income” section.
4. When indicating that you have “major or unusual out-of-pocket expenses”, you must provide copies of documents verifying these expenses. Please note this does not include “everyday living expenses”.
5. The application must be legible and complete. If you need or want to provide additional information, please attach a separate sheet(s); do not write in the margins of the application.
6. All documents submitted must be kept as part of the Board of Review record and **will not** be returned to you. Do not submit originals of supporting documents.
7. If the application is incomplete or does not include copies of the required financial documents, the application will be considered incomplete and not considered for a poverty exemption.

Applicants must provide a valid phone number, in the event of a question, it may be used.

Revised 2019/11/26

APPLICATION FOR ONE-YEAR 2020 POVERTY EXEMPTION - NORTHFIELD TOWNSHIP

Year _____ Parcel I.D. # B-02-_____ A.V. _____ T.V. _____

Property Owner Name: _____ Age _____

Name of Spouse (if applicable) _____ Age _____

Property Address: _____ Is your Principle Residence? Yes No

Telephone Number (_____) _____ - _____

Are you a military veteran? Yes No

Is your spouse a military veteran? Yes No

Employment Status and Name of Employer:

Employed			Employer	Are you disabled?		
Applicant	(<input type="checkbox"/>) Yes	(<input type="checkbox"/>) No	(<input type="checkbox"/>) Full Time (<input type="checkbox"/>) Part Time		Applicant	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No
Spouse	(<input type="checkbox"/>) Yes	(<input type="checkbox"/>) No	(<input type="checkbox"/>) Full Time (<input type="checkbox"/>) Part Time		Spouse	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No

Nature of Disability

Please provide documentation of disability.

Do you have any **MAJOR OR UNUSUAL OUT-OF-POCKET** expenses? If yes, please list them below and provide verification documents.

Type of Expense	Amount Per Year

List all persons living in the home other than you and your spouse:

	1	2	3	4
Name				
Age				
Relationship				
Occupation				
Annual Income				
Claimed as Dependent	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No	(<input type="checkbox"/>) Yes (<input type="checkbox"/>) No

Attach additional sheet, if needed.

PROPERTY INFORMATION:

Purchase Date: _____ Purchase Price: \$ _____ (if purchased in last 3 years)

Any improvements, changes, or additions made to the property in the last two (2) years? Yes No

Do you own this property free and clear? Yes No If not, amount of monthly payment: \$ _____

Are the taxes included in payment? Yes No

Are property taxes current? Yes No

If not, amount past due \$ _____

ASSET INFORMATION

Do you have an ownership interest in any other real estate (including ownership via partnerships, corporations, etc.) in Michigan or anywhere else? Yes No If yes, please list (attach additional sheet if needed).

<u>Location</u>	<u>Value</u>	<u>Type of Use</u>	<u>Purchase Date</u>	<u>Purchase Price</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

What are your assets in addition to real estate? (Do not include sheltered retirement plans such as IRA, 401(K), 403(B), Keogh, 457, annuities, or company pension programs)

Cash \$ _____

Savings Accounts/Certificates & Money Markets \$ _____

Checking Accounts \$ _____

Stocks/Bonds/Treasury Bills \$ _____

Insurance - Cash Value \$ _____

Other Personal Property, gems, jewelry, \$ _____

Investments \$ _____

Vehicles: Cars, Trucks, Boats, Trailers, etc.

Make	#1	#2	#3
Model			
Year			
Value			
Balanced Owed			

EXPENSE INFORMATION

Please list all sources of household expenses on a **MONTHLY** basis.

House Payment (principal & interest)	
Association/Condo Fees	
Taxes on other property	
Special Assessments	
Home Insurance	
Car Payment 1 st car	
Car Payment 2 nd car	
Auto Insurance	
Health Insurance (include prescription coverage)	
Medical Bills (not covered by insurance)	
Prescriptions (not covered by insurance)	
Child Care/Day Care	
Cable	
Utilities & Phone _____	
Other, (please explain) _____	

Mortgage/Land Contract Balance \$ _____ Monthly Payment \$ _____

Does this payment include taxes? Yes _____ No _____

Does this payment include insurance? Yes _____ No _____

Have your expenses significantly changed in the last year? Yes _____ No _____ If yes, please explain _____

DEBT INFORMATION

Please list any outstanding loans, credit cards, and personal debts.

(attach additional sheet if necessary)

	TO WHOM	FOR WHAT	MONTHLY PMT	BALANCE
1				
2				
3				
4				
5				

INCOME INFORMATION:

Source	Amount Per Year	
	PRIOR YEAR	CURRENT YEAR
Wages, Salaries, Tips, Sick, Strike, and sub-pay, etc.	\$	
Social Security/SSI	\$	
Retirement Pension or Annuity Benefits (Military Retir. Pay)	\$	
Interest and/or Dividends (includes non-taxable interest)	\$	
Rent/Business or Royalty Income	\$	
Disability Payments (Workers Comp, Veterans Disability,	\$	
ADC, SFA, SDA, RAP/REP (copy of DSS Annual Stmt)	\$	
Alimony	\$	
Child Support	\$	
Unemployment Benefits	\$	
Other Nontaxable Income (Military Family Allotments Etc.),	\$	
Amount YOU Pay for Medical (Health) Insurance	\$	
YOUR TOTAL INCOME	\$	
ADD INCOME FOR ALL MEMBERS OF HOUSEHOLD (not claimed as dependents) AS SHOWN ON FIRST PAGE OF APPLICATION	\$	
TOTAL HOUSEHOLD INCOME FOR	\$	

I declare under the penalties of perjury, that all information submitted in my application for Poverty exemption is true.

Signed: _____ Date: _____

FOR OFFICE USE ONLY

Income x ____% = Non-refundable Taxes _____

Senior: Non-refundable + 1200 = _____ - _____ = _____

All Other: Non-refundable + 1200 = _____ - _____ = _____

Income _____ Estimated Net Tax _____ % of Income _____

BOR Recommendations/Decisions _____

APPLICANT CERTIFICATION

I / We understand that the statements contained in this application are true to the best of my/our knowledge. I / We also understand that this application will be denied or revoked if the information contained is found to be false or incomplete.

I also authorize a representative of the Northfield Township Assessor and or Board of Review member to physically inspect my property at some point during the course of this year to ensure accuracy of the property appraisal record card.

Applicant Signature _____

Spouse Signature _____

IF AN EXEMPTION IS GRANTED, IT WILL BE IN EFFECT FOR THE CURRENT YEAR ONLY.

I / We have received and understand a copy of the POVERTY guidelines.

Applicant Signature _____

Spouse Signature _____

Name of Preparer if other than applicant: _____

TO BE CONSIDERED FOR POVERTY EXEMPTION, COPIES OF THE FOLLOWING ITEMS MUST BE INCLUDED WITH THIS APPLICATION. YOU MUST MAKE SURE TO FILE THESE.

- _____ Federal income tax returns.
- _____ Federal income tax return supporting documents.
- _____ State income tax returns.
- _____ Michigan property tax credit form (MI 1040CR)
- _____ Federal & State income tax returns for all other individuals residing in the homestead.
- _____ Eligibility notice from Michigan Department of Social Services for anyone residing in the household.
- _____ Proof of property ownership (deed for property) if requested.
- _____ Other

The above required information must be filed with the Board of Review for the application to be considered by the Board of Review.

WAIVER OF CONFIDENTIALITY

Parcel Number #: _____

Property Address: _____

I (we), _____, hereby consent to the examination of copies of my income tax returns and related financial documents, including but not limited to those listed below, by the Northfield Township Assessor and or designate agent and by the members of the Northfield Township Board of Review:

Federal Income Tax Returns

Michigan Income Tax Returns

Senior Citizens Homestead Property Tax Form

General Homestead Property Tax Claim Form

Statements from Social Security Administration

Furthermore, I consent to the discussion of the information contained in my income tax returns and related financial documents at a duly convened public meeting of the Northfield Township Board of Review. By signing this Waiver of Confidentiality, I understand and acknowledge that I am forever giving up any and all possible claims I may have relative to the disclosure of information contained in said tax returns and related financial documents, which claims may arise pursuant to Internal Revenue Code Section 6103, and/or any other federal, state or local statute or regulation.

I have read this document in its entirety and sign this document of my own free will.

Dated: _____

Applicant Signature

Spouse / Co-Applicant Signature

RESOLUTION #19-617

NORTHFIELD TOWNSHIP POLICY AND 2020 GUIDELINES FOR PROPERTY TAX POVERTY REDUCTIONS

WHEREAS, pursuant to MCL 211.7u, the Township Board is authorized to adopt Policy Guidelines for granting poverty exemptions on a principal residence in the Township, in whole or in part on grounds that a property owner is unable to contribute to the public charge due to a temporary financial poverty;

NOW, THEREFORE, IT IS RESOLVED that to be eligible for such poverty exemptions in whole or in part, more clearly described as property tax reductions in the Township of Northfield, a property owner shall do all of the following on an annual basis:

1. Own and occupy a principal residence on the property for which a Poverty Exemption is requested, for at least the last six months of the preceding calendar year.
2. The applicant shall complete a Poverty Exemption Application form, accompanied by federal and state income tax returns for all persons residing in the homestead in the immediately preceding year or current year including form (MI-I040CR) Homestead Property Tax Credit. In the event federal and/or state tax returns were not filed, the applicant must submit all 1099 forms, such as SA-1099 for Social Security, and all W-2 Forms for the preceding year for all of the occupants of the homestead. Regardless of income status, federal 1040 and form (MI-I040CR) Homestead Property Tax Credit must be filed for the immediately preceding year for the applicants to be considered for a poverty reduction under the township guidelines.
3. An explanation will be required for all household members over 18 years of age who are not cited as contributing to the household income.
4. All applicants MUST submit a copy of a Valid Driver's License or other photographic identification as allowed by statute.
5. All applicants MUST submit three (3) documents proving occupancy of the principal residence by the applicant during the last six months of the preceding year. Such documents must include the owner's name, the owner's principal residence address, and the dates of occupancy (example: utility bills, bank statements).
6. Applicants will produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested ONLY if not already on file with the Township Assessor's office.
7. To be eligible for exemption the applicant must meet ALL of the following income and asset standards:
 - a. Household income cannot exceed 115 % of the Federal Poverty threshold as published annually by the Michigan State Tax Commission. For example, the Federal Guideline for

2020 is \$12,490 for a single person household, which would make the Northfield Township poverty level at or below \$14,364 for a single person household. For varying family size, the township poverty levels shall be calculated by multiplying the Federal Poverty levels by 1.15 - example calculations are shown in the table below.

- b. Maximum Limit on total worth of all assets, **excluding** the 'net asset value' of the homestead property, cannot be more than 2 times the federal poverty income level.

Note: For the Asset Test, values from the prior calendar year are used, similar to the income of applicants from the prior calendar year are used for the income standard.

- c. May NOT own or have interest in property other than the homestead for which the poverty exemption is applied for ("homestead" includes adjacent parcels granted an "adjacent" Principal Residence Exemption).

Note: For the Asset Test, figures from the prior calendar year to be used as the verifiable income of applicants would be from prior calendar year as well.

Applying the above rule for 2020, the maximum limit on the worth of all assets would be calculated as follows:

SINGLE PERSON HOUSEHOLD CALCULATION
2 x 2020 Federal income limit \$12,490 = \$ 24,980

The term "assets" may include, among others, the following:

- Second home or buildings other than the residence
 - Vacant land
 - Equipment or other personal property not part of household furnishings
 - Vehicles
 - Bank Deposits
 - Antiques
 - Artwork
 - Stocks
8. Submit the above, a fully completed application for an annual exemption, including a witnessed signature, and all of the required income and income tax forms after January 1 of the tax year in question, **but no later than three weeks** prior to the last day of the March, July or December Board of Review to enable assessing staff to verify applications for completion and eligibility.

POVERTY EXEMPTION - ANNUAL INCOME OUALIFICATIONS

Each year exemption limits for annual income shall be revised based on the Federal Poverty Income Guidelines published annually by the Michigan State Tax Commission, as in the following EXAMPLES:

Northfield Township poverty threshold is at a rate of 15% over the Federal Poverty Guidelines as published annually by the Michigan State Tax Commission, allowing a higher income family eligibility for relief in case of poverty. Examples:

Size of Family Unit	2020 Federal Guideline	2020 Township Guideline
1	\$12,490	\$14,364
2	\$16,910	\$19,447
3	\$21,330	\$24,530
4	\$25,750	\$29,613
5	\$30,170	\$34,696
6	\$34,590	\$39,779
7	\$39,010	\$44,862
8	\$43,430	\$49,945
For Each Additional Person	\$ 4,420	\$ 5,083

These Poverty Guidelines are based on Northfield Township Resolution #13-486 adopted by the Northfield Township Board of Trustees January 23, 2013.

Revised for the 2020 Assessment and Tax year on November 26, 2019.

By Thomas D. Monchak, Northfield Township Assessor.

AYES: Manley, Chockley, Zebnock, Chick, Otto, Beliger

NAYS: _____

DULY RESOLVED AND ORDAINED THIS 10th DAY OF DECEMBER 2019

Marlene A. Chockley
 Marlene Chockley, Township Supervisor

ATTEST:
Kathleen Manley
 Kathleen Manley, Northfield Township Clerk