

PETITION NUMBER: _____

PARCEL NUMBER: _____

Webster Township Guideline and Application for Property Tax Poverty Exemption

Pursuant to Section 211.7u
Michigan Compiled Laws

To be considered for a poverty exemption, the following information must be submitted prior to deadlines established for the March or July or December Board of Review meetings:

1. A complete Application for Property Tax Poverty Exemption.
2. Current or previous year's Federal Income Tax Return (1040) and Michigan Income Tax Return (MI-1040) for all persons residing in the home for which exemption is sought. *
* A Poverty Exemption Affidavit may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year.
3. Previous year's Principal Residence Property Tax Credit Form (MI-1040-CR)
4. Valid driver's license or other form of identification, if requested.
5. Deed, land contract, or other evidence of ownership of the property for which the poverty exemption is sought, if requested.

If an application does not include copies of the above documents, it may be considered incomplete, and therefore ineligible for a Poverty Exemption.

Appeals for Property Tax Poverty Exemptions may be submitted to the Township Supervisor or Board of Review in person or by mail.

In person appeals before the Board of Review may be scheduled by calling 734-426-5103.

Mailed appeals should be sent to 5665 Webster Church Rd, Dexter, MI 48130.

Poverty Exemption as defined by the Michigan Compiled Laws is as follows:

Section 211.7u: The principal residence of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charges is exempt from taxation in whole or part from taxation under this act.

Please be aware that as an applicant for Poverty Exemption, you must also comply with the following sections of the Michigan Compiled Laws:

Section 211.116 Perjury: Any person who, under any of the proceedings required or permitted by this act shall willfully swear falsely, will be guilty of perjury and subject to its penalties.

CONFIDENTIAL – RESTRICTED ACCESS

WEBSTER TOWNSHIP
GUIDELINES FOR PROPERTY TAX POVERTY EXEMPTION REVIEW

I. General Overview

The Board of Review of Webster Township recognizes the need to have available a procedure by which residents in need of assistance under MCL 211.7u can make an application for property tax relief. The Board further recognizes that, pursuant to statute, as well as case law, they must adopt procedures and guidelines, approved by the Township Board, to be used as standards when considering appeals made based on financial hardship. The Board of Review understands that these guidelines must be adhered to when reviewing hardship appeals, and reserves the right to make individual considerations within their authority, as they feel necessary. Any form submitted that is inaccurate or not fully completed will result in a denial of the appeal. All information in the form is subject to verification from the Board of Review, Supervisor or Assessors Office.

II. Basic Filing Requirements

In order to be considered for exemption under MCL 211.7u each applicant must:

- A. Own and occupy the property for which an exemption is requested as a principal residence, as defined by law. This may include vacant, contiguous property as long as the property is considered part of the principal residence.
- B. Complete and submit to the Township Supervisor or Board of Review an *Application for Property Tax Poverty Exemption* per the following schedule:
 - March Board of Review: After January 1st but before the day prior to the last day of the Board of Review
 - July Board of Review: After January 1st but before the third Monday in July
 - December Board of Review: After January 1st but before the second Monday in December.
- C. Provide federal and state income tax returns for all persons residing in the principal residence including any property tax credit returns. These income tax returns shall include those filed in the current year or in the immediately preceding year. A *Poverty Exemption Affidavit* (included with the application) may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year.

III. Processing Applications

Once an *Application for Property Tax Poverty Exemption* is submitted to the Supervisor, it will be reviewed for completeness. If an application is found to be incomplete, the applicant will be notified.

Completed applications may be presented for appeal to the Board of Review in person by the applicant during scheduled appeal hearings in March, July or December. Completed applications submitted by mail will also be considered by the Board of Review during scheduled appeal hearings.

The Board of Review, in making their decision, may contact the applicant for any additional information they deem necessary. The Board of Review shall also reject any application where the information contained in it appears fraudulent, misleading or incomplete.

IV. Income Guidelines

The income guidelines used by the Board of Review have been established in accordance with MCL 211.7u and shall be adhered to unless accompanied by special circumstances. In determining qualifications for tax exemption, the Board of Review shall consider every variable on the application, including total household income, the nature and duration of the income stream, the state equalized value of the subject property, the quality and accuracy of the information submitted and any other such evidence as they feel appropriate in making their decision. In general however these guidelines shall assist the Board of Review in their decisions.

Size of Family or Household	2020 Federal Guidelines	Factor	2020 Webster Township Guidelines
1	\$12,490	2.0	\$25,000
2	\$16,910		\$30,000
3	\$21,330		\$35,000
4	\$25,750		\$40,000
5	\$30,170		\$45,000
6	\$34,590		\$50,000
Additional Person	\$5,000		

Applications may be reviewed by the Board of Review without the applicant being present. However, the Board may request that any or all applicants be physically present to respond, under oath, to any questions the Board, Supervisor or Assessor may have.

In granting hardship exemptions, the Board of Review realizes this to represent a shift of that portion of the tax burden to the other taxpayers of the community and state.

The exemption shall only apply to the applicant’s principal residence and the applicant must own and reside in the principal residence property.

Any relief granted is a reduction over and above the \$1200 maximum Principal Residence Property Tax Credit granted by the State of Michigan.

The Board of Review may grant relief within the following guidelines:

100% relief (applicant must pay any and all special assessments) for income that meets the Webster Township guidelines as stated above;

For each 1% above income stated in the guidelines above, any property tax relief shall be calculated by a reduction of 4% from the maximum relief (all percentages calculated in even whole numbers without fractions of a percent), e.g.: an income of 15% above Webster Township guidelines shall result in any relief granted to be a reduction from maximum relief in the amount of 60%, for a 40% relief (requiring applicant to pay 60% of the property tax, plus any and all special assessments).

V. Asset Guidelines

As required by MCL 211.7u, all guidelines for poverty exemptions as established by the governing body of the local assessing unit SHALL also include an asset level test. For the 2020 tax year, applicants must meet an asset level test established by the Webster Township Board per resolution, where:

- A. The applicant's total State Equalized Value (SEV) cannot exceed 1.5 times the previous year's (2019) average SEV of Webster Township residential properties **(\$195,956)**

All asset information, as requested in the Application for Property Tax Poverty Exemption must be completed in total. The Board of Review may request additional information and verification of assets if they determine it to be necessary and may reject any application if assets are not properly identified.

VI. **Extraordinary Hardship Situations**

The Board of Review shall follow the above policy and guidelines when making poverty exemption decisions. The same standards shall apply to each claimant *"unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and guidelines and the substantial and compelling reasons are communicated in writing to the claimant."* Medical and other extraordinary hardship situations may be used to qualify applicants who do not otherwise meet the above income and asset tests.

VII. **Summary**

In conclusion, the Board of Review has been given exclusive jurisdiction over the granting of property tax relief due to financial hardship. The Board of Review for Webster Township takes this task seriously and attempts to provide relief to all deserving residents within the township. The Board of Review may deny any appeal, regardless of income, if the financial hardship appears to be self-created by the actions of the person or persons making the application. The Board of Review reserves the right to modify these guidelines as necessary.

Webster Township Application for Property Tax Poverty Exemption

I. Property Identification

Property Address:			
Parcel Number(s):			
Property Owned By: <i>(as evidenced by the most recent transfer instrument)</i>			
Number of persons residing at this address:		Previous years Hardship Exemption Status (%):	

II. Petitioner Identification/ Contact Information

Print Name:			
Phone Numbers:			
Home:	Work:	Cell:	
Mailing Address, if different than property:			
Date of Birth:		Marital Status:	
Employment Status (check one): <input type="checkbox"/> Employed Full Time <input type="checkbox"/> Employed Part Time <input type="checkbox"/> Unemployed <input type="checkbox"/> Disabled <input type="checkbox"/> Retired <input type="checkbox"/> Laid Off <input type="checkbox"/> Other (explain):			
Usual Occupation:		Employer: <i>(Current or last)</i>	
If you checked <u>Unemployed</u>, <u>Disabled</u>, <u>Retired</u> or <u>Laid Off</u>, how long have you been in this status? Years: _____ Months: _____			
If you checked <u>Unemployed</u>, provide at least six (6) places you have applied for a job in the past year, including the name and number of a contact person.			
Place	Contact	Place	Contact
1.		4.	
2.		5.	
3.		6.	

If you checked Disabled, provide a letter from your doctor explaining your disability and that you are unable to work.

III. Co-Owner and Occupants Identification/Information

Co-Owner or Occupant Name:	Check all that apply:			Age	Employment Status	Employer or School Attending
	Owner	Occupant	Dependent			
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

Income documentation and copies of Income Tax Return documents must be supplied for all owners and occupants.

IV. Property Information

Year homestead purchased: *	Purchase price:
* For any real estate purchased <u>within the last five years</u> , the following closing information is required:	
<input type="checkbox"/> Copy of income verification supplied to purchase home <input type="checkbox"/> Lender's name, address and phone number <input type="checkbox"/> Last 30 days check stubs <input type="checkbox"/> Last two years income tax returns <input type="checkbox"/> Proof of employment or disability <input type="checkbox"/> Copy of HUD Settlement Statement form signed at closing <input type="checkbox"/> Copy of Principal & Interest payment form <input type="checkbox"/> Copy of Escrow form showing payment for insurance and taxes or Refusal of Escrow form <input type="checkbox"/> Copy of deed for home	
Is there a mortgage or land contract balance on the property?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, what is monthly payment? \$ _____	<input type="checkbox"/> Includes Taxes <input type="checkbox"/> Taxes are separate
What is the remaining amount due on the mortgage or land contract? \$	
What year will the mortgage or land contract be paid off?	
Do you expect to sell the homestead for which you are seeking relief in the next year?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Have improvements, additions, changes been made to this homestead in the past two years?
 If yes, explain:

V. Household Asset Information

List all assets below for owner, co-owner (if any) and all occupants:

Name:	Cash	Checking Account	Savings Account	Value-All Other Investments	Total Assets
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Total Household Assets:					

Provide the following information for any other real estate holdings owned, in whole or in part:

Location – City & State	Tax I.D. Number of Property	Market Value of Property	Amount of Equity
1.			
2.			
3.			
4.			

List all vehicle(s) that members of the homestead own/drive. Include leased vehicles.

Driver or Owner	Year	Make	Model
1.			
2.			

3.			
4.			

VI. Household Income Information

List below all income, from any person or source whatsoever, including: employment, social security, pension, unemployment compensation, workers compensation , child support, alimony, disability, etc:			
Name	Total 2018	Total 2019	Source of income or reason for no income
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
Grand Total Income:			
Do you anticipate any major changes in income for the coming year? If yes, explain below:			

VII. Household Expenses Information

List below all monthly household expenses including house payments, car or car lease payments and utility payments (gas/electric/telephone/cable), medical payments, other			
Payment to:	Monthly Amount	Payment to:	Monthly Amount
1.		2.	
3.		4.	
5.		6.	
7.		8.	
9.		10.	
11.		12.	
Grand Total Monthly Expenses:			

VIII. Medical or Other Extraordinary Situations

Use the space below to explain the nature of any special hardships.

Provide dollar amounts of any unusual expenses resulting from these special situations. This information can be used to support a grant of property tax relief even if specified income and asset levels do not qualify for a poverty exemption.

IX. Petitioner/Applicant Certification

I am (We are) unable to pay the full property taxes on the above described property and hereby make application for property tax relief in accordance with Section 2.11.7u of the Michigan Compiled Laws. I have read this application and fully understand the contents.

I (we) declare that the statements made are complete, true and correct to the best of my (our) knowledge.

I (we) further understand that if any information contained is found to be false or incomplete, any and all relief granted by this application will be forfeited and placed back on the assessment roll with penalties and interest occurring on the additional tax liability.

I (we) further understand that if this application is incomplete or I (we) fail to include all sources of income, this application will not be considered by the Board of Review and that I (we) conform to the attached income and asset guidelines.

Petitioner/Applicant Signature _____ Date _____

Co-Petitioner/Applicant Signature _____ Date _____

Witness Signature _____ Date _____