

POLICY AND GUIDELINES FOR APPLICANTS  
REQUESTING CONSIDERATION FOR A POVERTY EXEMPTION

*Any poverty exemption application that is submitted that is inaccurate or not fully completed will result in the denial of the appeal.*

1. Applicants must obtain the proper applications from the Assessor's Office. Handicapped or infirm applicants may call the Assessor's Office to make necessary arrangements for assistance.
2. Applicants must be the owners and residents of the property
  - A. Must produce valid driver's license or other acceptable methods of identification.
  - B. Must produce a deed, land contract or other evidence of ownership, as specified by the Assessor.
3. Applicant must fill out the application form in its entirety and return it, in person, to the Assessor's office, except as noted in item 1 above.
  - A. Must not sign it until returned.
  - B. Application must be witnessed by the Assessing Officer or Board of Review.
4. All applicants and any person residing in the principal residence will submit last year's copies of the following:
  - A. Federal Income Tax Return – 1040 or 1040A.
  - B. State Income Tax Return – MI-1040.
  - C. Homestead Property Tax Credit Claim MI-1040CR.
  - D. Statement of benefits paid from Michigan Department of Social Services and/or Social Security Administration.

An alternative 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 or immediately preceding year. (See form 4498, Poverty Exemption Affidavit)
5. Applications may be filed with the Assessor after January 1 but before the day prior to the last day of the March Board of Review.

Applications may be reviewed by the Board without being present. However, the Board may request that an applicant be physically present to respond to any questions the Board or Assessor may have. This means that you may be called to appear on short notice.

6. You may have to answer questions regarding your financial affairs, your health, or the status of people living in your home at a meeting before the Board which is open to and may be attended by the public at large.

7. The Board of Review may vote to go into closed session pursuant to MCL 15.268(h) to review and discuss an applicant's state or federal tax return claimed as exempt under state or federal law, if the applicant requests confidentiality. If the Board wishes to go into closed session, the Open Meetings Act requirements must be followed:
  - A. A two-thirds roll call vote of members serving must be taken and the vote and purpose of calling the closed session should be entered into the minutes.
  - B. A separate set of minutes shall be taken outlining the decision of the Board of Review.
  - C. The actual vote to grant or deny the application should be taken in an open meeting.
8. Applicants appearing before the Board will be administered an oath, as follows:

"Do you \_\_\_\_\_ swear and affirm that evidence and testimony you will give in your own behalf before the Board of Review is the truth, the whole truth, and nothing but the truth, so help you."

Applicant responds, "I do" or "I will".

9. Applicants will be evaluated based on:
  - A. Data submitted to the Assessor or the Board.
  - B. Testimony taken from petitioner and information gathered from any source the Assessor or Board may wish to use.
10. The Board will also consider all revenue and non-revenue producing assets owned by the petitioner in its deliberation as to whether relief should be granted.
11. Exemptions are granted annually. 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.
12. Applicants will not be eligible for consideration if they do not meet the federal income guidelines determined annually by the United States Office of Management and Budget.

The Federal Poverty Guidelines used in the determination of poverty exemptions are updated annually by the United States Department of Health and Human Services and will be followed. The annual allowable income includes income for all persons residing in the principal residence.

13. The State Equalized Value (SEV) of your principal residence may not exceed \$75,000.
14. As required by PA 390 of 1994, all guidelines for poverty exemptions as established by the governing body of the local assessing unit SHALL also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available.

The following assets shall not be considered when applying an asset test to determine qualification for tax exemption:

- A. The value of the applicant's principal residence subject to the exemption request along with any contiguous residential land, except as follows:

*Under no circumstances shall a poverty exemption be granted on a principle residence purchased within one (1) year from the approval date. Unless petitioner files documentation supporting claim.*

*Any category of physical (or tangible) structure added to the property in the previous calendar year with a true cash value not to exceed \$2,000. Unless petitioner files documentation supporting claim.*

- B. The value of all personal property, such as furniture and clothing.

Notwithstanding the value of property listed above, in order to be considered for tax exemption under MCL 211.70, the value of all additional assets shall not exceed Ten Thousand Dollars (\$10,000). The Board of Review will consider all revenue and non-revenue producing assets during its deliberation as to whether relief shall be granted. If liquid assets (assets that can be readily converted to cash) exceed five times the gross income and no more cash than an amount equal to one month's gross household income. Assets include:

- Stock
- Bonds
- Mutual Funds
- Insurance Policies
- Retirement Accounts
- Vehicles
- Boats
- RV's
- Motorcycles
- Recreational Vehicles
- Second Homes, land, vehicles
- Salable Property
- Jewelry, antiques, artwork, etc.
- Coin Collections

15. The filing of a claim with the Board of Review constitutes an appearance before the Board of Review for purpose of preserving the right to appeal to the Michigan Tax Tribunal.
16. Any successful applicant may be subject to personal investigation by the Township to verify information submitted or statements made to the Assessor or Board of Review for the poverty exemption claim.
17. The Board of Review shall follow the policy and guidelines of the Charter Township of Hampton in granting or denying an exemption unless the Board of Review determines there are substantial and compelling reasons why there should be deviation from the policy and guidelines. The substantial reasons should be communicated in writing to the applicant and to the Township Board.

## **Taxpayer Filing Requirements:**

In order to receive a poverty exemption, a taxpayer must annually file a completed application form and all required additional documentation, with the supervisor, assessor, or the Board of Review where the property is located. The application form may be obtained from the local unit where the property is located and may be submitted on or after January 1 but before the day prior to the last day of the December Board of Review during the year in which the exemption is requested.

To ensure an application is received in time to be heard by a Board of Review, the State Tax Commission recommends the claimant contact the local governing unit directly to verify deadline dates for submission of an application.

In addition to annually filing the application, in order to be eligible for the poverty exemption, a taxpayer must do all of the following:

1. Own and occupy the principal residence.
2. Provide federal and state income tax returns for the current or immediately preceding year, including any property tax credits, for all persons **residing in the principal residence** (disclosure of the income of an owner who is not residing in the principal residence is not required. An alternative 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 or immediately preceding year. (See form 4988, *Poverty Exemption Affidavit*)
3. Produce a valid driver's license, or other form of identification, if requested by the supervisor, assessor or Board of Review.
4. Produce a deed, land contract, or other evidence of ownership of the property, if requested by the supervisor, assessor or Board of Review.
5. Meet the federal poverty income guidelines determined annually by the U.S. Department of Health and Human Services OR meet allowable alternative income guidelines adopted by the local governing body.
6. Meet the asset level test adopted by the local governing body.
7. Meet additional tests reasonably adopted by the local governing body.

## POVERTY EXEMPTION APPLICATION

I, \_\_\_\_\_, Petitioner, being the owner and residing at the property that is listed below as my principal residence, apply for property tax relief under MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893. The principal residence of persons who, by reason of poverty are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation per MCL 211.7u(1).

**In order 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.**

**PERSONAL INFORMATION:** Petitioner must list all required personal information.

Property Address of Principal Residence:	Daytime Phone Number:	
Age of Petitioner:	Marital Status:	Age of Spouse:
Number of Legal Dependents:	Age of Dependents:	
Applied for Homestead Property Tax Credit (yes or no):	Amount of Homestead Property Tax Credit:	

**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:		

**ADDITIONAL PROPERTY INFORMATION:** List information related to any other property you, or any member residing in the household owns.

Do you own, or are buying, other property (yes or no)? If yes, complete the information below.	Amount of Income Earned from other Property:		
Property Address	Name of Owner(s)	Assessed Value	Amount & Date of Last Taxes Paid

**EMPLOYMENT INFORMATION:** List your employment information.

Name of Employer:	Name of Contact Person:
Address of Employer:	Employer Phone Number:

List all income sources, including but limited to: salaries, Social Security, rents, pensions, IRA's (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) <b>Include copies of last three months</b>

**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.

**Include 3 months of statements.**

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

**LIFE INSURANCE:** List all policies held by all household members.

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

**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 Owned

**LIST ALL PERSONS LIVING IN HOUSEHOLD:** All persons residing in the residence must be listed.

First & Last Name	Age	Relationship to Applicant	Place of Employment	Amount of Monetary Contribution to Family Income

**PERSONAL DEBT:** All personal debt for all household members must be listed. **Submit 3 months of bills for each.**

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

**MONTHLY EXPENSE INFORMATION:** The amount of monthly expense related to the principal residence for each category must be listed. Indicate N/A as necessary. **Submit 3 months of bills for each.**

Heating:	Electric:	Water:
Phone:	Cable:	Food:
Clothing:	Health Insurance:	Garbage:
Daycare:	Car Expense (gas, repair, etc.):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):

**Notice:** Any willful misstatements or misrepresentations made on this form may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

**Notice:** Per MCL 211.7u(2b), a copy of all household members federal income tax returns, state income tax returns (MI-1040) and Homestead Property Tax Credit claims (MI-1040CR 1, 2, 3 or 4) must be attached as proof of income or a signed Form 4988 *Poverty Exemption Affidavit*. Documentation for all income sources including, but not limited to, credits, claims, Social Security income, child support, alimony income, and all other income sources must be provided at time of application.

**Petitioners:** Your signature must be witnessed by a Notary Public, or signed by the Supervisor, Assessor or Board of Review Member.

I, the undersigned Petitioner, hereby declare that the foregoing information is complete and true and that neither I, nor any household member residing within the principal residency, have money, income or property other than mentioned herein.

\_\_\_\_\_  
**Petitioner Signature**

\_\_\_\_\_  
**Date**

STATE OF MICHIGAN  
COUNTY OF \_\_\_\_\_

Subscribed and sworn this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

Notary Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

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Assessor Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Supervisor Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

BOR Member Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

This application shall be filed after January 1, but before the day prior to the last day of the December Board of Review to the address below.

Board of Review  
C/O: Supervisor or Assessor  
Hampton Township  
801 W. Center Rd  
Essexville, MI 48732

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**DECISIONS OF THE MARCH BOARD OF REVIEW MAY BE APPEALED BY PETITION TO THE MICHIGAN TAX TRIBUNAL BY JULY 31 OF THE CURRENT YEAR. JULY OR DECEMBER BOARD OF REVIEW DENIALS MAY BE APPEALED TO MICHIGAN TAX TRIBUNAL BY PETITION WITHIN 35 DAYS OF THE DENIAL. A COPY OF THE BOARD OF REVIEW DECISION MUST BE INCLUDED WITH THE PETITION.**

Michigan Tax Tribunal  
PO Box 30232  
Lansing, MI 48909  
Phone: 517-373-4400  
E-mail: [taxtrib@michigan.gov](mailto:taxtrib@michigan.gov)