



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

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

Phone Number: \_\_\_\_\_

## 2024 HARDSHIP EXEMPTION APPLICATION

The City of Melvindale has adopted the Federal Poverty Guidelines, which are updated annually by the U.S. Department of Health and Human Services, as the criteria for establishing household income levels and also requires documentation of all assets in order to determine eligibility per Public Act 390 of 1994.

This petition is applicable to the current tax year only and can be heard by the Board of Review in March, July, and December. If granted, any reduction to the property taxes will be applied to the current tax year and a new tax bill or refund if taxes were already paid, will be issued.

We encourage you to turn in this application as soon as possible so it can be reviewed by staff for its completeness before being submitted to the Board of Review. The last day to submit this application and all proofs will be March 1<sup>st</sup> for the March Board of Review, July 1<sup>st</sup> for the July Board of Review, and December 1<sup>st</sup> for the December Board of Review.

### A. DOCUMENTS

**YOU MUST COMPLETE THIS APPLICATION IN FULL AND RETURN IT TO THE ASSESSING OFFICE WITH COPIES OF ALL THE DOCUMENTS LISTED BELOW FOR ALL PERSONS LIVING IN THE HOUSEHOLD. PLEASE INITIAL TO INDICATE THAT YOU HAVE PROVIDED THE REQUESTED DOCUMENT(S).**

Required Document(s)	Applicant Initials	Staff Initials with Submission Date
Copies of EITHER a Driver's License OR a State, School or other source photo I.D. for EVERY Household Member 18 years of age or older		
Copies of ALL Household Income Including: * Employment / Home Business / Side Jobs * W-2 / 1099 Statements * Social Security / Disability * Pension * Unemployment / Worker's Compensation * Food Stamps / FIA / ADC (General Assistance)- Note: not included in income total * Child Support / Alimony * Interest / Dividends * Any Assistance Received from 3 <sup>rd</sup> Parties * Any Scholarships or Grants for Tuition (Form 1098-T required)		
1040 & 1040CR Tax Filing		
12 Months of Statements for ALL Household Bank Accounts (January 2023-December 2023)		
Copies of the Most Current Registration for ALL Vehicles, Boats, Watercraft, ATV's & Recreational Vehicles		

**B. OWNER(S) STATEMENT**

I/We, \_\_\_\_\_ (print full name(s)),

being the legal owner(s) and resident(s) of the property at \_\_\_\_\_

\_\_\_\_\_ in Melvindale, Michigan,

desire to apply for Tax Relief under Section 74 of the Michigan General Property Tax Act: (The *principal residence* of persons who, in the judgment of the Board of Review, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation under this act. MCL Section 211.7u).

Application prepared by (if different than property owner):

\_\_\_\_\_

Relationship to Owner Applicant: \_\_\_\_\_

Phone: \_\_\_\_\_

**C. STATE REQUIRED FORM 5737**

Michigan Department of Treasury  
5737 (01-21), Page 1 of 4

**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

<b>PART 4: EMPLOYMENT INFORMATION</b> — List your current employment information.					
Name of Employer					
Address of Employer		City	State	ZIP Code	
Contact Person		Employer Telephone Number			
<b>PART 5: INCOME SOURCES</b>					
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.					
<b>Source of Income</b>			<b>Monthly or Annual Income</b> (indicate which)		
<b>PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION</b>					
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.					
<b>Name of Financial Institution or Investments</b>	<b>Amount on Deposit</b>	<b>Current Interest Rate</b>	<b>Name on Account</b>	<b>Value of Investment</b>	
<b>PART 7: LIFE INSURANCE</b> — List all policies held by all household members.					
<b>Name of Insured</b>	<b>Amount of Policy</b>	<b>Monthly Payments</b>	<b>Policy Paid in Full</b>	<b>Name of Beneficiary</b>	<b>Relationship to Insured</b>
<b>PART 8: MOTOR VEHICLE INFORMATION</b>					
All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.					
<b>Make</b>	<b>Year</b>	<b>Monthly Payment</b>	<b>Balance Owed</b>		

Continue on Page 3

<b>PART 9: HOUSEHOLD OCCUPANTS</b> — List all persons living in the household.				
First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

  

<b>PART 10: PERSONAL DEBT</b> — List all personal debt for all household members.					
Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

  

<b>PART 11: MONTHLY EXPENSE INFORMATION</b>			
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
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**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)

## D. ADDITIONAL EMPLOYMENT INFORMATION

### Current Marital Status

# of Years

( ) Married ( ) Divorced ( ) Widowed ( ) Separated ( ) Single \_\_\_\_\_

### Applicant Employment Status in 2023

### Spouse Employment Status in 2023

Your name: \_\_\_\_\_

Your spouse's name: \_\_\_\_\_

Your age: \_\_\_\_\_

Your spouse's age: \_\_\_\_\_

( ) Employed Full-time - **How long?** \_\_\_\_\_

( ) Employed Full-time - **How long?** \_\_\_\_\_

( ) Employed Part-time - **How long?** \_\_\_\_\_

( ) Employed Part-time - **How long?** \_\_\_\_\_

( ) Retired - **How long?** \_\_\_\_\_

( ) Retired - **How long?** \_\_\_\_\_

( ) Laid-off - **How long?** \_\_\_\_\_

( ) Laid-off - **How long?** \_\_\_\_\_

Possible return date \_\_\_\_\_

Possible return date \_\_\_\_\_

( ) Disabled

( ) Disabled

( ) Not working - How long \_\_\_\_\_

( ) Not working - How long \_\_\_\_\_

Occupation \_\_\_\_\_

Occupation \_\_\_\_\_

Current or most recent employer \_\_\_\_\_

Current or most recent employer \_\_\_\_\_

Describe any disability or health problems:

Describe any disability or health problems:

### Change of Employment Status in 2023, if any

Explain: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## **Resident Information**

Please list **all persons** of **WORKING AGE** other than yourself or spouse currently living in your household.

Full Name	Age	Relationship	Occupation	2023 Income	Student?	Briefly List any Significant Disabilities

**Does ANY member of the household earn income from a home business or side job? If so, please complete the box below.**

<u>Name</u>	<u>Type of Income</u>	<u>Amount Earned &amp; Frequency</u>

**Does ANY member of the household send or receive payments via Paypal, Venmo, Cash App, Zelle, Western Union, Bank Transfers, or any of the like? If so, please complete the box below.**

[illegible]



**Does ANY member of the household regularly withdraw or deposit cash through an ATM? If so, please complete the box below.**

<b><u>Name</u></b>	<b><u>Reason for Withdraw or Deposit</u></b>	<b><u>Amount Withdrawn or Deposited &amp; Frequency</u></b>

Do you receive assistance or are any household expenses paid for by **any other person** NOT LISTED ABOVE?

Yes\_\_\_\_\_ No\_\_\_\_\_

If **Yes**, please provide a letter from the party(ies) stating exactly what is paid, when and the amount of the assistance.

Person's Name:\_\_\_\_\_ Relationship:\_\_\_\_\_

Person's Name:\_\_\_\_\_ Relationship:\_\_\_\_\_

Have you or a member of your family organized a GoFundMe or fundraiser on your behalf in the last 12 months?

No \_\_\_\_\_ Yes \_\_\_\_\_ If yes, please explain \_\_\_\_\_

\_\_\_\_\_

#### E. ADDITIONAL PROPERTY INFORMATION

Are you and/or your spouse the sole owners of the property? Yes \_\_\_\_\_ No \_\_\_\_\_

If no, list all owners and their percentage of ownership. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Is the home paid in full? Yes \_\_\_\_\_ No \_\_\_\_\_

If no, number of years and \$ amount remaining on this Mortgage/Land Contract \_\_\_\_\_

What is the monthly payment? \_\_\_\_\_ Includes taxes \_\_\_\_\_ Includes Insurance \_\_\_\_\_

Do you owe any delinquent mortgage payments? No \_\_\_\_\_ Yes \_\_\_\_\_ Amount \$ \_\_\_\_\_

Do you have a reverse mortgage? Yes \_\_\_\_\_ No \_\_\_\_\_

Do you owe any delinquent taxes? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, please list the year(s) and amount(s) \_\_\_\_\_

Do you expect to sell the homestead for which the tax relief is being sought in the next year? \_\_\_\_\_

Have any improvements, changes or additions been made to the property in the last two (2) years?

No \_\_\_\_\_ Yes \_\_\_\_\_ If yes, please explain \_\_\_\_\_

\_\_\_\_\_

Are there any changes or additions that need to be made to the property? No \_\_\_\_\_ Yes \_\_\_\_\_

If yes, please explain \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

#### F. ADDITIONAL ASSET INFORMATION

Do you, your spouse, or any other person residing in the homestead have any ownership in any **other** real estate? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please describe the property, location, and estimated value.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

What are your current assets in addition to the real estate noted above?

Cash \$ \_\_\_\_\_

Cryptocurrency \$ \_\_\_\_\_

CDs, Money Markets \$ \_\_\_\_\_

Stocks/Bonds/Treasury Bills \$ \_\_\_\_\_

Insurance Policy (surrender-cash value) \$ \_\_\_\_\_

Retirement Accounts (Mutual Funds, IRA's) \$ \_\_\_\_\_

Personal Property (Jewelry, Coins, Collectables, Antiques) \$ \_\_\_\_\_

Other – (please explain) \_\_\_\_\_ \$ \_\_\_\_\_

### G. ADDITIONAL INCOME INFORMATION

Has your income significantly changed in the last year? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please explain:

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Has anyone in the household sold or given away interest in any property in the last 12 months?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please provide complete address, date sold and sale price:

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Has anyone in the household received rental income for any real estate, equipment, vehicle or personal property in the last 12 months?

Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please describe the property involved, dates the property was rented, and the amount of income received in return:

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

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Are there any payments or benefits (Social Security, Disability, Food Stamps, Pensions, etc.) that you are eligible to claim, but choose not to? Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, please explain:

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Do you anticipate any major changes in income for the coming year? \_\_\_\_\_ If yes, please explain:

Poverty Exemptions are granted for a 1-year period. These exemptions are intended to temporarily assist homeowners who are experiencing an unplanned hardship due to temporary short-termed circumstances. It is expected that the applicant will prepare a plan to rectify the hardship situation at their earliest opportunity. Please explain your plan below:

#### H. APPLICANT CERTIFICATION

**I/We hereby certify that the statements contained in this application are true to the best of my/our knowledge. I/We hereby authorize the City of Melvindale Assessing Department to verify and or obtain information from any creditor, financial institution, government agency, insurance company or any other organization necessary for the purpose of this application of hardship exemption for the tax year of 2024. I/We also understand that if the information contained herein is found to be false or incomplete, the City has the right to recover all of the property taxes exempted under this program for this and any prior years, with penalties and interest. The applicant also acknowledges that the City may bring legal action against the applicant to the fullest extent of the law for making any fraudulent statements contained within this application.**

**I/We further understand that copies of the Michigan Homestead Property Tax Credit Claim 1040 CR must be submitted with this application, even if I/we are not legally required to file a tax return. This credit is based on a comparison between property taxes and total household resources; and may provide assistance with the tax burden.**

**I/We have received and have read the Hardship Exemption Guidelines:**

Applicant Signature \_\_\_\_\_ Date: \_\_\_\_\_

Spouse Signature \_\_\_\_\_ Date: \_\_\_\_\_

## **2024 Hardship Exemption Determination Policy & Guidelines**

Section 211.7u (1) of the Michigan General Property Tax Act defines the Poverty or Hardship Exemption as a method to provide relief for those who, in the judgement of the Board of Review are unable to fully contribute to the annual property tax burden of their principal residence due to their financial situation.

All applicants must meet the income level thresholds, which are established by the Federal Poverty Guidelines and approved yearly by City Council, as well as complete the Hardship Exemption application and provide supporting documentation.

Applicants must also provide a list of all assets when applying for a poverty exemption. The purpose of an asset test is to determine all resources available to the applicant; such as cash, fixed assets or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. The total dollar amount and the value of all assets of an applicant cannot exceed more than \$50,000. The value of the principal residence is not included in this total.

**Public Act 253 of 2020 amended MCL 211.7u by listing the specific percentage reductions in taxable value that may be used by the Board of Review in granting a hardship exemption. Public Act 253 of 2020 lists the specific percentage reductions in taxable value that may be used by the Board of Review in granting a poverty exemption. MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the Board of Review shall grant the poverty exemption, in whole or in part, as follows:**

- 1. A full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted; or**
- 2. A partial exemption equal to a 50% reduction in taxable value for the year in which the exemption is granted; or**
- 3. A partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted.**

The guidelines below will serve as the basis for the Board of Review to grant the percentage reduction to qualified applicants.

**100% Reduction:**

**Qualifications:**

- Applicant has a permanent or temporary disabling condition resulting in 100% unemployability. Note: If other parties residing in the principal residence are employable, then the maximum reduction the applicant would be eligible for is 50%.
- Verifiable documentation must be provided.
- Application and all required paperwork must be turned in
- No parties residing outside of the household can be listed on the deed or land contract. The only exception to this is a life estate deed.

**50% Reduction:** This would be the maximum reduction granted for those who are employable, but still qualifying for a hardship exemption.

**Qualifications:**

- Application and all required paperwork must be turned in.
- No parties residing outside of the household can be listed on the deed or land contract. The only exception to this is a life estate deed.

**25% Reduction:** This would be granted under special circumstances. This would allow the Board of Review to make a partial reduction, based on the documents provided.

**Qualifications:**

- Application and all required paperwork must be turned in.
- No parties residing outside of the household can be listed on the deed or land contract. The only exception to this is a life estate deed.

**Note:** Adjustments to the percentage received will be adjusted as circumstances present. For example, if an applicant has deed work listing other parties residing outside of the principal residence, then an appropriate percentage reduction can be made to the percentage otherwise granted by the above qualifications.



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

**Bulletin 18 of 2023**  
**November 14, 2023**  
**Procedural Changes for 2024**

**TO:** Assessing Officers and County Equalization Directors

**FROM:** Michigan State Tax Commission

**SUBJECT:** Procedural Changes for the 2024 Assessment Year

The purpose of this Bulletin is to provide information on statutory changes, procedural changes and reminders for the 2024 assessment year. Additional guidance may be issued later if any pending legislation is enacted by the end of the year.

#### **A. Inflation Rate Used in the 2024 Capped Value Formula**

The inflation rate, expressed as a multiplier, to be used in the 2024 Capped Value Formula is 1.05.

The 2024 Capped Value Formula is as follows:

$$\text{2024 CAPPED VALUE} = (\text{2023 Taxable Value} - \text{LOSSES}) \times 1.05 + \text{ADDITIONS}$$

The formula includes 1.05 because the inflation rate multiplier of 1.051 is higher than 1.05.

#### **B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2024**

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than \$24,860 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$24,860. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2024 assessments:

Size of Family Unit	Poverty Guidelines
1	\$14,580
2	\$19,720
3	\$24,860

Size of Family Unit	Poverty Guidelines
4	\$30,000
5	\$35,140
6	\$40,280
7	\$45,420
8	\$50,560
For each additional person	\$5,140

**Note:** MCL 211.7u states that the poverty exemption guidelines 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. Please see STC Bulletin 3 of 2021 for more information on poverty exemptions.

**Note:** MCL 211.7u allows an affidavit (Treasury Form 4988) to 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. This includes the owner of the property who is filing for the exemption.

## C. Sales Studies

Equalization study dates are as follows for 2024 equalization:

Two Year Study: April 1, two years prior through March 31, current year

Single Year Study: October 1, preceding year through September 30, current year

For 2023 studies for 2024 equalization the dates are as follows:

Two Year Study: April 1, 2021 through March 31, 2023

Single Year Study: October 1, 2022 through September 30, 2023

Note that the time period revisions apply to all equalization studies, that is: sales ratio studies, land value studies and economic condition factor studies for appraisals. Also note that the revised time period for two-year studies applies to all real property classifications.

## D. Property Classification

The State Tax Commission reminds assessors that classification is to be determined annually and is based upon the current use of the property **and not** highest and best use of the property. The Commission is aware that some assessors are still classifying property according to highest and best use and/or are not classifying property on an annual basis. The Commission asks that all assessors take the necessary steps to ensure that all real and personal property is properly classified according to MCL 211.34c.