

B.O.R. Mar Jul Dec

Letter / Appt

Date: _____

Time: _____

Petition #: _____

Parcel No. _____

Name: _____

CHESTERFIELD TOWNSHIP
MACOMB COUNTY
HARDSHIP EXEMPTION APPLICATION
TAX YEAR 2018

A. DEADLINE

YOU MUST COMPLETE THIS APPLICATION IN FULL AND RETURN IT, ALONG WITH A COPY OF LAST YEARS STATE AND FEDERAL INCOME TAX RETURNS, WITH THE MICHIGAN PROPERTY HOMESTEAD TAX CREDIT FORM (MI-CR) FOR EACH PERSON RESIDING IN OR CONTRIBUTING TO THE HOMESTEAD. IF NOT REQUIRED TO FILE A FEDERAL OR STATE INCOME TAX RETURN, THE FILING EXEMPTION AFFADAVIT AT THE END OF THIS APPLICATION (PAGE 7) MUST BE FILED. THIS FORM MUST BE RETURNED TO THE ASSESSING OFFICE BY:

B. STATEMENT

I, _____ being the **owner and resident** of the property listed below, desire to apply for Tax Relief under MCL 211.7u of the Michigan General Property Tax Act: (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 eligible for exemption in whole or in part from taxation under this act.)

C. PROPERTY ADDRESS

Property address _____ Parcel # _____

How Long Have You Lived at the Above Address?: _____

Legal description _____

D. APPLICANT INFORMATION

APPLICANT: _____

CO-OWNER: _____

Date of Birth _____

Date of Birth _____

Phone Numbers: Home (____) _____

Home (____) _____

Work (____) _____

Work (____) _____

Cell (____) _____

Cell (____) _____

Other Contact Information: _____
 (Name) (Phone)

Current Marital Status

For How Long?

() Married () Divorced () Widowed () Separated () Single _____

Applicant Status

Employed: () Full-time () Part-time Employer: _____

Date of Hire: _____ Occupation: _____

() Retired: Date Retired _____ Employer: _____

() Laid-off: Date last worked _____ Employer: _____

() Disabled: Date last worked _____ Employer: _____

Possible return date _____ Cause: _____

() Not working – How long _____ Reason: _____

Describe any disability or health problems: _____

Spouse or Co-Owner Status

Employed: () Full-time () Part-time Employer: _____

Date of Hire: _____ Occupation: _____

() Retired: Date Retired _____ Employer: _____

() Laid-off: Date last worked _____ Employer: _____

() Disabled: Date last worked _____ Employer: _____

Possible return date _____ Cause: _____

() Not working – How long _____ Reason: _____

Describe any disability or health problems: _____

Resident Information

List **ALL people**, not listed above, **living in your household**. (Attach additional sheet if necessary)

	1	2	3	4	5
Full Name					
Age					
Relationship					
Dependent	Yes No	Yes No	Yes No	Yes No	Yes No
Occupation					
Annual Income					
Do they contribute to household income?	Yes No	Yes No	Yes No	Yes No	Yes No
Amount of Contribution					

E. ADDITIONAL ASSISTANCE

Does **any other person** not listed above make **any** financial contribution to the household? If yes how much?

Person's Name: _____ Monthly Contribution _____

Type of Contribution Monetary _____ Other (explain) _____

F. PROPERTY

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

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

When did you and/or your spouse purchase this homestead? _____

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 _____ Taxes are separate _____

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

Do you owe any delinquent taxes? Yes _____ No _____

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

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 _____

G. OTHER REAL ESTATE HOLDINGS

Do you, your spouse, or any other person residing in the homestead have a financial interest in other real estate? If yes, please provide the following information concerning that financial interest.

Location-City & State	Tax I.D. Number of Property	Value of Property	Amount of Equity
		\$ _____	\$ _____
		\$ _____	\$ _____
		\$ _____	\$ _____

H. ASSET INFORMATION (MUST BE COMPLETED)

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

Cash \$ _____

Checking Accounts \$ _____

Saving Accounts \$ _____

CDs, Money Markets \$ _____

Stocks/Bonds/Treasury Bills \$ _____

Insurance Policy (surrender-cash value) \$ _____

Retirement Accounts \$ _____

Personal Property (i.e. Jewelry, Coin Collection, Etc.) \$ _____

Other - (please explain) _____ \$ _____

List **ALL** motor vehicles in household (whether paid in full or not) including cars, trucks, and recreational vehicles i.e.: boats, motorcycles, motor homes, travel trailers, jet skis, snow mobiles, ATV's, etc. Use additional pages if necessary.

	VEHICLES: YEAR/MAKE/MODEL	MILEAGE	DATE ACQUIRED	BOUGHT OR LEASED	PURCHASE PRICE	BALANCE
1						
2						
3						
	RECREATIONAL VEHICLES: YEAR/MAKE/MODEL					
1						
2						

I. INCOME INFORMATION

Please list all sources of your personal income on a **MONTHLY** basis.

SOURCE	APPLICANT	SPOUSE
Employment	\$	\$
Social Security	\$	\$
Pension- From:	\$	\$
Unemployment/Workers Compensation	\$	\$
General Assistance- Type:	\$	\$
Child Support/Alimony	\$	\$
Family Support/Gifts- From:	\$	\$
Interest (taxable & non-taxable); Dividends	\$	\$
Rental Income	\$	\$
Other Income (please explain in detail) _____ _____	\$	\$
Other Monetary Assistance- Source:	\$	\$

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

Have you or your spouse sold any interest in real estate in the last 2 years? Yes _____ No _____

If yes, please provide complete address, date sold and sale price _____

Do you receive Food Stamps or other Public Assistance? No ___ Yes___ Amount \$ _____ per month.

Benefits received for: _____

J. EXPENSE INFORMATION

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

House Payment (principal & interest)	\$
Child Care/Day Care	\$
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)	\$
Cell Phone	\$
Cable/Satellite	\$
Internet	\$
Utilities: gas, electric, water	\$
Other, (please explain) _____ _____	\$

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

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

Are any household expenses paid for by another party? Yes _____ No _____

***If **Yes**, please provide a statement including exactly what is paid, when, how much and by whom.

K. 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				
6				

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

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**CHESTERFIELD TOWNSHIP
MACOMB COUNTY
INCOME TAX EXEMPTION AFFIDAVIT**

I _____ attest that I was not required to file a Federal or State of Michigan Income Tax return, including a State of Michigan Homestead Property Tax Credit form (MI 1040 CR) in the prior calendar year.

Taxpayer's Name (please print)

Taxpayer's Address

Date

**ONLY FILL OUT IF NOT REQUIRED TO FILE STATE AND
FEDERAL INCOME TAXES**

**CHARTER TOWNSHIP OF CHESTERFIELD
BOARD OF REVIEW
2018 POVERTY EXEMPTION POLICY & GUIDELINES**

Section 211.7u(1) of the Michigan General Property Tax Act defines the poverty exemption as a method to provide relief for those who, in the judgment of the Supervisor and the Board of Review are unable to fully contribute to the annual property tax burden of their principal residence due to their financial situation. The following policy & guidelines were adopted by the Chesterfield Township Board of Trustees, **Resolution 2012-25, December 3, 2012.**

1. All applicants must submit a copy of the Federal Income Tax Return (1040 or 1040A), State Income Tax Return (MI-1040), and Homestead Tax Credit (MI-1040CR-4) filed in the immediately preceding year or in the current year **for all persons living in the homestead**. If applicant(s) is not required to file a Federal or State Income Tax return, they must complete and file an Income Tax Exemption Affidavit.
2. All applicants must fill out an “Application for Hardship Exemption” in its entirety.
3. All applicants must be the owner and resident of the property in which tax relief is filed on. They must provide a driver’s license or other acceptable method of identification. They must also provide a deed, land contract, or other evidence of ownership if requested by the Board of Review.
4. Applicant must meet the annually adjusted “Federal Poverty Exemption Guidelines” or alternative guidelines adopted by the Chesterfield Township Board of Trustees. (attached)
5. All Financial Institution balances will be taken into account. The Board will also consider stocks, bonds, life insurance policies, other real estate owned, vehicles, interest income and any additional assets.
6. Gifts and contributions by all persons whether living in the household or not **will** be taken into consideration for the purposes of establishing exemption eligibility.
7. Non cash benefits such as Medicaid, WIC, food stamps and school lunches **shall be considered** as household income for purposes of establishing exemption eligibility.
8. Extraordinary medical expenses may be taken into consideration.
9. The Board of Review shall follow the guidelines of the local assessing unit in granting or denying an exemption unless there are substantial and compelling reasons why there should be a deviation from the guidelines and the substantial and compelling reasons are communicated in writing to the claimant. Any deviation from the guidelines shall require a unanimous vote of the Board of Review and the Township Supervisor or Assessor.
10. In accordance with PA 390 of 1994, the Applicant must meet the “Asset Guidelines” adopted by the Chesterfield Township Board of Trustees. (attached)
11. A person who files for a poverty exemption is not prohibited from also filing an appeal on the assessment and/or taxable value.

APPLICANT: Your application for poverty exemption **will be denied** if:

1. Your Application for Tax Exemption is not filled out completely or includes inaccurate information.
2. Savings Account, Checking Account, Investments, Interest Earnings, Dividends or other liquid assets either in total or individually meet or exceed double the amount of the current annual property tax obligation.
3. Applicant does not otherwise meet the asset levels set by the local governing body.
4. Recreational Vehicles* owned or leased in total exceed the amount of the current asset guidelines.
5. If you own, and are receiving rents from other real estate, excluding your homestead.
6. If you own, or are buying, other real estate *i.e. Summer Cottage, Vacant Land (acreage or lot), Camping Lot.*
7. Total Household Income exceeds eligibility guidelines as adopted by the Township Board of Trustees.

* *Recreational vehicles include snowmobiles, boats, camping trailers, travel trailers, motor homes , Jet skis, motor cycles, off road vehicles, or anything else which may be considered a Recreational vehicle.*

**CHARTER TOWNSHIP OF CHESTERFIELD
BOARD OF REVIEW**

**2018 GUIDELINES FOR APPLICANTS
REQUESTING CONSIDERATION FOR POVERTY EXEMPTIONS**

All applicants must obtain the proper application from the Township Assessor’s Office. Handicapped or disabled applicants may call the Assessor’s Office at (586) 949-0400 to make necessary arrangements for assistance.

Applicants may be eligible for consideration if they meet the following poverty guidelines.

<u>Persons In Household</u>	<u>Household Income</u>	<u>Board of Review Action</u>
1	\$0 - \$12,060	Total tax exemption or tax liability of not more than 3.5% of net income.
	\$12,061 - \$18,090	Try to establish Taxable Value so that the total tax liability is 3.5% of household income plus any relief granted by the Michigan Homestead Tax Credit (maximum credit \$1,200).
	\$18,091 - \$27,135	Try to establish net tax liability after Homestead Tax Credit within 5-10% of income depending on specifics of application.
	over \$27,135	Generally, no hardship relief will be granted.
<hr/>		
2	\$0 - \$16,240	Total tax exemption or tax liability of not more than 3.5% of net income.
	\$16,241 - \$22,250	Try to establish Taxable Value so that the total tax liability is 3.5% of household income plus any relief granted by the Michigan Homestead Tax Credit (maximum credit \$1,200).
	\$22,251 - \$31,150	Try to establish net tax liability after Homestead Tax Credit within 5-10% of income depending on specifics of application.
	over \$31,150	Generally, no hardship relief will be granted.

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For each additional person over 2 in the household, add \$4,180 to income levels to determine income qualifications

Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2018.

MCL 211.7u, which deals with poverty exemptions, was significantly altered by PA 390 of 1994 and was further amended by PA 620 of 2002.

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 \$20,420 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 \$20,420.

Following are the federal poverty guidelines for use in setting poverty exemption guidelines for full exemption of the 2018 assessments. Partial exemptions may be granted with higher income guidelines.

Size of Family Unit	Poverty Guidelines *
1	\$ 12,060
2	\$ 16,240
3	\$ 20,420
4	\$ 24,600
5	\$ 28,780
6	\$ 32,960
7	\$ 37,140
8	\$ 41,320
For each additional person	\$4,180

The income guidelines shall include, but are not limited to, the specific income for the person claiming the exemption, and should also include anyone else who is living at or contributing to the claimant's household. Income includes:

- Money, wages, and salaries before any deductions.
- Net receipts from non-farm self-employment
- Net receipts from farm self-employment, (the same provisions as above for self-employment.)
- Losses from business, rentals and royalties and net operating losses which are no longer allowable deductions to household income according to the State of Michigan.
- Regular payments for 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.
- Gifts, lump-sum inheritances, one-time insurance payments, and State and/or Federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches

* Source STC Bulletin 24 of 2017

Asset Guidelines Used in the Determination of Poverty Exemptions for 2018.

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. The following asset test shall apply to all applications for poverty exemption.

- The applicant shall not have “**liquid**” assets (excluding the value of the principal residence subject to the exemption request) in excess of **two** (2) times the amount of the estimated tax obligation of the current assessment.
- The applicant shall not have **total** assets (excluding the value of the principal residence subject to the exemption request) in excess of **ten** (10) times the amount of the estimated tax obligation of the current assessment.

All asset information, as requested in the Application for 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 the assets are not properly identified.

Liquid Assets may include but are not limited to:

- Bank accounts
- Stocks and Bonds
- IRA's and other investment accounts
- Pensions
- Money received from the sale of property such as stocks, bonds, a house or a car unless a person is in the specific business of selling such property.

In addition, total assets may also include but are not limited to:

- A second home
- Excess or vacant land
- Rental property
- Extraordinary automobiles
- Recreational vehicles*
- Buildings other than the residence
- Equipment
- Other personal property of value
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.

* *Recreational vehicles include snowmobiles, boats, camping trailers, travel trailers, motor homes, Jet skis, motor cycles, off road vehicles, or anything else which may be considered a Recreational vehicle.*