

**Filing Deadline for 2019:**  
March BOR – March 13<sup>th</sup>  
July BOR – July 11<sup>th</sup>  
December BOR – December 5<sup>th</sup>

PETITION NUMBER \_\_\_\_\_

PARCEL NUMBER: 22-23- \_\_\_\_\_

ASSESSED VALUE \_\_\_\_\_ TAXABLE VALUE \_\_\_\_\_

## **City of Farmington Hills Application for Property Tax Relief**

Pursuant to Section 211.7u  
Michigan Compiled Laws

This application must be filled out carefully and completely. **A copy of 2018 Federal and State Income Tax Returns, with the Michigan Property Homestead Form (1040-CR), must be submitted with this application for each person residing in or contributing to the homestead.** All information supplied will be kept confidential. All applications **MUST** be complete and contain accurate information or they will not be considered.

**Applications submitted without completed forms or income tax returns will NOT be considered.**

**This is an annual exemption and must be reapplied for each year.**

### **Exemption Qualifiers** ( must meet all to be considered)

1. **Must own and occupy** the property as a principal residence.
2. **Must** conform to the income guidelines which are attached to the booklet.
3. **Must** attach income tax information, both federal and state including a Michigan 1040-CR Homestead Property Tax Form (or income verification if they do not file), **all W-2's, all 1099's and all bank statements from the prior year (2018) as well as the current month.**
4. **Must** pass the asset test as established and explained in the booklet.

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## CITY OF FARMINGTON HILLS

### GUIDELINES FOR POVERTY EXEMPTION REVIEW

#### **I. General Overview**

The Board of Review of the City of Farmington Hills 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 and case law, they must adopt procedures and guidelines, approved by City Council, 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 poverty appeals. The Board of Review may reject any form submitted that is inaccurate or not fully completed by the time of the Board's consideration. All information in the form is subject to verification by the Board of Review 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 as a principal residence, as defined by law, for which the request is being made. This may include vacant, contiguous property as long as it is considered part of the principal residence.
- B. Complete and submit an Application for Tax Exemption on a form designated and supplied by the City of Farmington Hills Assessors Office.
- C. Submit income verification as required. This must include current Federal and State Income Tax Returns, State Homestead Property Tax Credit Forms, bank statements, or any additional information requested by the Board of Review.

#### **III. Processing Applications**

Once an Application for Tax Exemption is completed and returned to the Assessor's Office, it will be reviewed by the Assessing staff. The Assessing staff will complete and attach a Hardship Worksheet to each appeal. The worksheet will summarize the application and provide the Board of Review with specific information, income of the applicant, an estimated tax amount for the property, a summary of the estimated Homestead Property Tax Credit for the property and the estimated net property tax liability to the homeowner.

After the above referenced information is compiled, the entire packet will be submitted to the Board of Review to be considered for tax relief in a work session. 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.

CITY OF FARMINGTON HILLS

GUIDELINES FOR POVERTY TAX EXEMPTION

IV. **Income Guidelines**

The income guidelines used by the Board of Review have been established in accordance with P.A. 390 of 1994 and shall be adhered to unless accompanied substantial and compelling reasons which will be communicated to the applicant in writing. 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 it feels appropriate in making their decision. In general however these guidelines shall be used by the Board of Review in making its decisions. The income amounts below relate directly to the Federal Poverty Guidelines and are adjusted accordingly each year.

<u>Persons</u> <u>in Household</u>	<u>Household</u> <u>Income</u>	<u>Recommended Board Action</u>
1	\$ 0 - \$ 15,170	Consideration from not more than 3.5% of net tax liability to total removal from assessment roll.
	\$ 15,170 - \$ 22,600	Try to establish SEV so that total tax liability is 3.5% of income plus the maximum relief granted by the Homestead Credit ( \$1,200).
	\$ 22,600 - \$ 31,880	Try to establish net tax liability within 5-10% of income depending on specifics of application.
	over \$ 31,880	Generally, no hardship relief will be granted unless accompanied by unusual circumstances.
.....		
2	\$ 0 - \$ 20,570	Consideration from not more than 3.5% of net tax liability to total removal from assessment roll.
	\$ 20,570 - \$ 27,880	Try to establish SEV so that total tax liability is 3.5% of income plus the maximum relief granted by the Homestead Credit ( \$1,200).
	\$ 27,880 - \$ 37,150	Try to establish net tax liability within 5-10% of income depending on specifics of application.
	over \$ 37,150	Generally, no hardship relief will be granted unless accompanied by unusual circumstances.
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For each additional person over 2 in the household, add \$ 5,400 to income levels to determine income qualifications.

## CITY OF FARMINGTON HILLS

### GUIDELINES FOR POVERTY TAX EXEMPTION

#### V. Asset Guidelines

As required by P.A. 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 assets shall be considered when applying an asset test to determine qualification for tax exemption:

- i. The value of all “liquid assets” shall not exceed ten (10) times the estimated annual property tax on the homestead property. Examples of “liquid assets” may include, but is not limited to, the cash value of life insurance policies, mutual funds, bonds or stocks as well as money market accounts, savings accounts, or checking accounts.
- ii. The value of all assets of the applicant shall not exceed five (5) times the annual household income of the applicant or those contributing to the expenses of the household. Totals assets may include, but is not limited to, cars, boats, real estate that is not the homestead (including rental properties and vacant properties), and all liquid assets.

All asset information, as requested in the Application for Property Tax 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. Summary

In conclusion, the Board of Review has been given exclusive statutory jurisdiction over the granting of property tax relief due to poverty. The Board of Review for the City of Farmington Hills takes this task seriously and attempts to provide relief to all deserving residents within the city. 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.

**Petitioner's Name:** \_\_\_\_\_

**Age** \_\_\_\_\_

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

Address of property for which relief is being sought: \_\_\_\_\_

Marital Status: Married \_\_\_\_\_ Single \_\_\_\_\_ Separated \_\_\_\_\_ Divorced \_\_\_\_\_ Widowed \_\_\_\_\_

Employment Status: Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ Unemployed \_\_\_\_\_ Retired \_\_\_\_\_

Disabled \_\_\_\_\_ Last Employer \_\_\_\_\_

**If you checked un-employed, laid off, disabled, or retired, how long have you been in this status?** \_\_\_\_\_

**Spouse's Name:** \_\_\_\_\_ **Age:** \_\_\_\_\_

Employment Status: Full Time \_\_\_\_\_ Part Time \_\_\_\_\_ Unemployed \_\_\_\_\_ Retired \_\_\_\_\_

Disabled \_\_\_\_\_ Last Employer \_\_\_\_\_

**If your spouse is unemployed, laid off, disabled, or retired, how long has she/he been in this status?** \_\_\_\_\_

DESCRIBE ANY DISABILITY OR HEALTH PROBLEMS YOU OR YOUR SPOUSE MAY HAVE:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Other persons currently residing in homestead:**

Name	Age	Relationship	Employment status	Employer or School Attending	Dependent?		
					Yes	No	
					Yes	No	
					Yes	No	
					Yes	No	
					Yes	No	
					Yes	No	

**Does any person listed above or any other person (s) make a financial contribution to the household?** \_\_\_\_\_

If yes, how much does the person contribute each month?

Person's name: \_\_\_\_\_ Amount \$ \_\_\_\_\_

Are the property taxes currently paid? Yes \_\_\_\_\_ No \_\_\_\_\_

Did you or your spouse seek property tax relief last year? \_\_\_\_\_

Does anyone else have a financial or ownership interest in the property? \_\_\_\_\_

**If so, the income and assets of the person must be included in this form along with copies of tax returns.**

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

What was the Purchase Price? \$ \_\_\_\_\_ Have improvements, additions, changes been made to this homestead in the past two years? \_\_\_\_\_. If yes, explain \_\_\_\_\_

**Are you and/or your spouse the sole owners of this homestead? \_\_\_\_\_**

If no, who else has an interest in the property? \_\_\_\_\_ Explain: \_\_\_\_\_

**Balance of 1<sup>st</sup> Mortgage** \$ \_\_\_\_\_

**Balance of 2<sup>nd</sup> Mortgage** \$ \_\_\_\_\_

Payment Amount of 1<sup>st</sup> Mortgage \$ \_\_\_\_\_

Payment Amount of 2<sup>nd</sup> Mortgage \$ \_\_\_\_\_

Estimated Payoff Date \_\_\_\_\_

Estimated Payoff Date \_\_\_\_\_

**Are Mortgage Payments Current? If no, how many months are owed?** \_\_\_\_\_

Does the payment include taxes or are they paid separately?  Includes taxes  Taxes are separate

**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
		\$	\$
		\$	\$
		\$	\$

**ASSETS - List all assets: *Must be completed:***

Type	Name of Bank	Amount	Net Value
Cash		\$	Pensions/IRA's \$
Savings Account(s)		\$	Life Insurance \$
Checking Account		\$	\$
Stocks/Bonds/Mutual Funds		\$	\$
Certificates (CDs)		\$	\$
Money Market		\$	\$

**VEHICLES - List vehicles(s) members of the homestead own / drive. Include leased vehicles.**

Driver or Owner	Year	Make/Model	Monthly Payment	Balance Owing

**OTHER ASSETS:** This may include boats, art objects, collections, antiques, etc.

Type of Asset	Value	Owner

**INCOME DATA**

LIST ALL SOURCES OF PERSONAL INCOME. INCOME INCLUDES ALL MONEY COMING INTO THE HOUSEHOLD FROM ANY SOURCE OR PERSON.

Source	Annual Income	Source	Annual Income
Employment	\$	Pension	\$
Social Security	\$	Unemployment Compensation	\$
Workman's Comp	\$	Welfare/Food Stamps/Bridge Card	\$
A.D.C.	\$	Alimony	\$
Interest & Dividends	\$	Child Support	\$
Insurance	\$	Gifts/Other	\$

**HOUSEHOLD INCOME**

List the total income for each person residing in the household. Attach additional sheets if necessary.

Name	Total Income in 2018	Total Income in 2017
Petitioner:	\$	\$
Spouse:	\$	\$
Other person:	\$	\$
Other Person	\$	\$

Do you anticipate any major changes in income for the coming year? \_\_\_\_\_ If yes explain below.

**EXPENSES:**

**Monthly Household:**

House Payment	\$	Water	\$	Electricity	\$
Heating –Gas/Oil	\$	Telephone	\$	Cable T.V.	\$
Cell Phone	\$	Auto Insurance	\$	Other	\$

**MONTHLY MEDICAL EXPENSES:**

Persons Name	Relationship	Hospital	Doctor	Prescriptions
		\$	\$	\$
		\$	\$	\$
		\$	\$	\$

**PERSONAL DEBTS:**

Person or Company	Purpose of Debt	Date Debt Incurred	Original Amount of Debt	Monthly Payment	Balance Remaining
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$
			\$	\$	\$

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**Applicant's 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 211.7u of the Michigan Compiled Laws. I have read this application and fully understand the contents thereof. I (we) declare that the statements made herein are complete, true and correct to the best of my (our) knowledge. I (we) further understand that if any information contained herein 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.**

Applicant's Signature \_\_\_\_\_

Date \_\_\_\_\_

Spouse's Signature \_\_\_\_\_

Date \_\_\_\_\_