Filing Deadline for 2016:
March BOR – March 16th
July BOR – July 14th
December BOR – December 8th

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 2015 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.

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 (2015) as well as the current month**.

4. **Must** pass the asset test as established and explained in the booklet.

CONFIDENTIAL – RESTRICTED ACCESS

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

Does any person listed above <u>or any other person (s)</u> make a financial contribution to the household? _____

If yes, how much does the person contribute <u>each month</u>?

Person's name:_____ Amount $ _____

Are the property taxes currently paid? Yes _____ No _____

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

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

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 1st Mortgage $ _____

Payment Amount of 1st Mortgage $ _____

Estimated Payoff Date _____

Balance of 2nd Mortgage $ _____

Payment Amount of 2nd Mortgage $ _____

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 2015	Total Income in 2014
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
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$

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 _____

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 hardship appeals. **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 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 homestead, 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 homestead.

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 by very rare and 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 be used by the Board of Review in making their decisions.

Persons in Household	Household Income	Recommended Board Action
1	$ 0 - $ 14,710	Consideration from not more than 3.5% of net tax liability to total removal from assessment roll.
	$ 14,710 - $ 23,170	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).
	$ 23,170 - $ 32,250	Try to establish net tax liability within 5-10% of income depending on specifics of application.
	over $ 32,250	Generally, no hardship relief will be granted unless accompanied by unusual circumstances.
2	$ 0 - $ 18,870	Consideration from not more than 3.5% of net tax liability to total removal from assessment roll.
	$ 18,870 - $ 27,330	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).
	$ 27,330 - $ 36,410	Try to establish net tax liability within 5-10% of income depending on specifics of application.
	over $ 36,410	Generally, no hardship relief will be granted unless accompanied by unusual circumstances.

For each additional person over 2 in the household, add $ 4,160 to income levels to determine income qualifications.

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, pensions, IRA's, 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 financial hardship. 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.

Updated October 23, 2015