

NEW BUSINESS

REFERRAL

10-22-19.

**BUDGET,  
FINANCE, AND  
AUDIT STANDING  
COMMITTEE**

**OFFICE OF CONTRACTING  
AND PROCUREMENT**

October 18, 2019

HONORABLE CITY COUNCIL:

The Purchasing Division of the Finance Department recommends a Contract with the following firm(s) or person(s):

6002476      100% City Funding – To Provide an Additional Year Extension to the Operating Contract for the Charles H. Wright Museum. – Contractor: Charles H. Wright Museum – Location: 315 E Warren Avenue, Detroit, MI 48201 – Contract Period: Upon City Council Approval through October 31, 2020 – Total Contract Amount: \$0.00. **OFFICE OF THE CHIEF FINANCIAL OFFICER**

Respectfully submitted,

Boysie Jackson, Chief Procurement Officer  
Office of Contracting and Procurement

**BY COUNCIL MEMBER**           **AYERS**          

**RESOLVED**, that Contract No. 6002476 referred to in the foregoing communication dated October 18, 2019, be hereby and is approved.



Property Assessment

**Board of Review**

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 824  
Detroit, Michigan 48226

Phone: 313-628-0273  
Fax: 313-224-4576  
www.detroitmi.gov

31

CITY CLERK 2019 OCT 15 PM3:56

DATE: October 15, 2019

TO: The Honorable Detroit City Council

RE: 2020 Exemption Guidelines and Application in accordance with MCL 211.7u  
(Homeowners Property Tax Assistance Program)

### INTRODUCTION

The Board of Review is a nine (9)-member board appointed by this Honorable Body to act on matters relative to assessments within the jurisdiction of the City of Detroit. The purpose of this communication is to establish adoption by resolution of the 2020 exemption guidelines and process for the Board of Review to act in accordance with MCL 211.7u.

Additionally, under the new "Homeowners Property Tax Assistance Program" ordinance, the Board of Review is required to file its proposed version with this Honorable Body through the City Clerk by October 15<sup>th</sup>.

The Board of Review is required to be in compliance with the settlement agreement entered into with the American Civil Liberties Union (ACLU). The application has been reviewed and approved by the ACLU and the law department prior to submission to this honorable body. This document contains a point-by-point review of the application detailing that all aspects of the agreement and ordinance were met.

This application was reviewed on a collaborative effort with the ACLU and its community partner. The document attached to this packet is the final agreed upon document prior to submission to this Honorable Body.

Please keep in mind that as you review and consider the 2020 guidelines, it is crucial to the overall process that this Honorable Body adopt the guidelines prior to December 1, 2019 so that the appropriate time will exist for printing, distribution and the creation of homeowner access.

This application is being respectfully submitted for your approval pertaining to the Homeowners Property Tax Assistance Program.

**A RESOLUTION IS ATTACHED AND A WAIVER OF RECONSIDERATION IS REQUESTED.**



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**SUMMARY**

Each year the Board of Review is required by state law to establish a new process and guidelines in reviewing and determining property tax exemptions by reason of poverty in accordance with MCL 211.7u. This portion of the General Property Tax Act was created to allow homeowners who own and occupy their real residential property as a primary homestead the opportunity to be exempt of property taxes in whole or in part when the property owner is unable to contribute to the public charges as long as they have met the required guidelines established by the local governing unit and the application approved by the Board of Review and adopted by City Council by resolution in accordance with MCL 211.7u.

The Board of Review remains closely engaged in the current matters faced by many homeowners challenged with property tax delinquency and/or at risk of foreclosure. The Board of Review continues to aid the community in considering these challenges when possible to help homeowners maintain ownership within the City of Detroit by providing a connected and unified relationship with the Office of the Assessor, City of Detroit Treasury, Wayne County Treasurer and other community based agencies and organizations in order to assist as many homeowners as possible under law.

Therefore, we are presenting to this Honorable Body the 2020 Homeowners Property Tax Assistance Program Guidelines and Application in accordance with MCL 211.7u.



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### DOCUMENTS

- **TITLE: “Homeowners Property Tax Assistance Program”**
  - In 2016 the title “Homeowners Property Tax Assistance Program” was adopted and should continue as such.
  - The new title clearly states the overall intent while maintaining and delivering the restored sense of attention, pride and dignity to the community.
- **GUIDELINES and FORMS**
  - 2020 PROCESS FOR REVIEWING HOMEOWNERS PROPERTY TAX ASSISTANCE PROGRAM APPLICATIONS
    - This is the second year of the re-design which gives a more friendlier and easy to read look. In addition all of the language required by the settlement agreement was reviewed by all interested parties and approved prior to submission to this Honorable Body.
    - Section 1 - the language has not changed from the previous year.
    - Section 2 - the language has not changed from the previous year.
    - Section 3 - the language was changed to reflect updating the relevant years for required documentation.
    - Section 4 - the language was changed to add a 25% Exemption to provide opportunity to meet the needs of those households that may be required to pay property taxes. There appeared to be a possible gap in providing assistance while at the same time considering the household’s ability to meet their property tax obligation.
    - Section 5 - the language was changed to add “the Board of Review may deviate from the above guidelines an exemption from 0% to 3.5% of the household income” to provide opportunity to meets the needs of households that may be required to pay property taxes. There appeared to be a possible gap in providing assistance while at the same time considering the household’s ability to meet their property tax obligation.
    - Section 5 - the language was changed to update relevant dates for the upcoming year.
    - Grammatical corrections where necessary.
  - PROGRAM PETITION
    - The redesigned petition will not change and provides needed information to be conveyed to the applicant in a more user friendly format.
    - The petition has been integrated in the BS&A software used by the Office of the Assessor
    - Updated to include the correct tax year.



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- Information relative to the specific parcel and property owner is populated on the form directly from the BS&A software in the Office of the Assessor when petition is requested through that office.
  - The language *"Filed Petition and Application become the property of the City of Detroit"* was added to provide better clarity to the process.
  - Two options are still provided for notarization to help and/or assist our most fragile.
  - Grammatical and association with other document corrections where necessary.
  - An adapted form in connection with the exemption application to be placed online.
- PROGRAM APPLICATION
- Updated to include the correct tax year.
  - Updated any use of terms or requirements as provided by the Michigan State Tax Commission. (Bulletin 2 of 2019, Bulletin 16 of 2018 and Bulletin 6 of 2017)
  - Print/type that provides for an easier to read application.
  - Section A spells the required documents needed for proof of ownership and a location to list ALL owners of the subject property.
  - Section A – an additional location was added to provide a contact number.
  - Section B provides direction and a location to list all household members, relationship of household members, age, employment status and current monthly income along with required documentation needed.
  - Section B asks for marital status along with supporting documentation if needed.
  - The household income guidelines are placed on the application so that the applicant has clear knowledge of the current guideline levels.
  - The 25% Exemption level and percentages for deviation was added as provided in the proposed guidelines and process.
  - A statement regarding extraordinary circumstance that may exist has not been altered or changed.
  - Section C lists the requirement for income for each household member and a section to list the income itself. Income is the basis in which the exemption may be granted or denied. Based upon what is placed in this section and the supporting documentation, the board may not be required to ask for any further documentation.
  - Grammatical and association with other document corrections where necessary.



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- Adjustments to the income guidelines where necessary as required both in accordance with MCL 211.7u and the DHHS federal poverty guidelines.
  - Section D asks for Tax Credit and Rebates – the Board is required to ask in accordance with state statute.
  - Section E provides for a signed statement that assets do not exceed the \$12,000 threshold or the completion of the required section should assets exceed the limit.
  - Section E also provides a statement should assets exceed the threshold, you have the opportunity to provide a statement why the board should deviate from the guidelines and still consider the exemption.
  - Section F – the applicant is able to list debt and expenses should the income exceed to poverty guidelines. This give the board opportunity to consider deviating based on additional information provided by applicant. Each application in this situation must be reviewed on a case-by-case basis to determine a homeowner’s ability to meet their property tax obligation.
  - A statement form is provided so that the applicant may explain and/or state why the application should be granted. This often will give the board additional information in understanding the circumstance that exist in the household that should be considered.
  - A recapitulation section for the board members to make a determination based on the information provided by the applicant and make a final recommendation for the board’s final disposition.
  - Document check list is incorporated with the application. While it is not a required form to be returned with the application, it gives the applicant the ability to follow along when completing the application so that the applicant is aware of the required documentation that must be provided with the application.
- 2020 TAX EXEMPTION APPLICATION AFFIDAVIT
    - While serving some of our most fragile property owners where circumstances will rarely change, a single page application affidavit was developed.
    - Updated to include the correct tax year.
    - A statement explaining the affidavit was added.
    - If required, notice that the applicant must provide a tax return.
    - Grammatical corrections where necessary.
  - **OTHER**
    - Throughout all documents, the new City of Detroit logo was added where necessary.



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- Documentation was vetted and reviewed by all necessary parties involved in compliance with the terms of the settlement agreement.

#### **ADDITIONAL FORMS and STATEMENTS**

- 2020 HPTAP Application Letter – (Document has been revised to meet the terms of the settlement agreement)
  - The application letter provides general information relative to the application and application process.
  - Provides information relative to when decisions of the board are released.
  - Provides information of homeowner responsibility relative to property taxes and any associated fees.
  - Provides information to other opportunities for managing property tax obligations.
- Michigan Treasury Form 4988 Poverty Exemption Affidavit.
  - This form was developed and implemented by the State of Michigan Department of Treasury in accordance with MCL 211.7u.
  - The Board of Review utilizes Form 4988 as required by the State Tax Commission and MCL 211.7u.
  - Form 4988 is offered as an affidavit when the property owner or household member is generally not required to file income tax.
- Internal Revenue Service Form 4506-T Request for Transcript of Tax Return.
  - Form 4506-T is a United States IRS form designed for requesting tax return transcripts.
  - Form is utilized when a petitioner or household member provides a signed poverty exemption affidavit (Form 4988).
  - Form is utilized to confirm the filing status and/or information regarding a tax return.
- Michigan STC Bulletin 2 of 2019 “Boards of Review”
  - Provides general information as to changes in many areas that affect Boards of Review.
  - References Bulletin 6 of 2017 regarding Poverty Exemption.
  - References action taken by the Michigan Court of Appeals relating to homestead property tax credits.
  - References that an affidavit is to be filed when a tax return is not required to be filed and that it does include the individual that is filing for the exemption.
- Michigan STC Bulletin 16 of 2018 “Procedural Changes for the 2019 Assessment Year”





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Each year the STC will release a bulletin specific to the Board of Review to list any changes to MCL 211.7u that must be followed including changes to the Department of Health and Human Services Poverty Guidelines.

- Information may include relevant changes in the law, changes by the STC, and changes by the MTT or court actions that may change how local Boards of Review may consider an application.
  - Reference is made in section B to see STC Bulletin 6 of 2017 for more information on poverty exemptions.
  - Each year the STC will release such a bulletin and the bulletin for 2020 had not been released at the time of the submission of this document.
- Michigan STC Bulletin 6 of 2017 “Exemption of Principal Residence by Reason of Poverty”
    - This bulletin is noted in the Michigan STC Bulletin 16 of 2018
    - Information may include relevant changes in the law, changes by the STC, and changes by the MTT or court actions that may change how local Boards of Review may consider an application.
    - Purpose of this bulletin is to provide guidance regarding poverty exemptions.
    - Rescinds bulletins 5 of 1995, 7 of 2010 and 5 of 2012
    - Clarifies who may apply and real property status.
    - Clarification of local unit responsibilities.
    - Clarification of “Income” according to the U.S. Census Bureau
    - Clarification that the local unit policy must include an asset test. This is to determine the resources available that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed.
    - General taxpayer filing requirements.
    - Board of Review Responsibilities
    - Appeal Rights
    - Sample Resolution
    - Sample Application
  - Federal Register as Noticed on February 1, 2019 of Update to HHS Poverty Guidelines
    - Contains the published 2019 Department of Health and Human Services income guidelines relative to poverty.
    - In accordance with MCL 211.7u and the STC, the Board of Review must consider the income guidelines as base that it CANNOT fall below.
  - Proposed 2020 HPTAP Income Level
    - Provides thresholds limits for all households.
    - Provides percentages about each household number to maintain consistency with ordinance requirements.
    - Provides asset limit.



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- Board of Review Deviation Form
  - As required in accordance with Section MCL 211.7u this form provides the written statement that is provided to applicant when a decision by deviation is process by the Board of Review.
  - Two forms are generated;
    - One is provided to applicant
    - One remains in the applicants file
- Board of Review Denial Notice (Revised to meet the terms of the settlement agreement)
  - The Denial Notice was implemented to assist in providing clarity in the Board of Review decision making.
  - The Denial Notice provides a generally stated reason why a person may have been denied an exemption.
  - The Denial Notice clearly states the applicants appeal rights and contact information to the Michigan Tax Tribunal.
- Board of Review No Consideration Notice
  - In certain circumstances the Board of review has no authority to act on an applicant's request for exemption of property taxes by reason of poverty.
  - In those cases the form conveys to the applicant why the Board of Review could not consider the application and in some case gives opportunity for the issue to be corrected.
- MCL 211.7u
  - The portion of the generally property tax act which gives the Board of Review the ability to act on property tax exemptions by reason of poverty.
- Poverty Exemption Yearly Comparison
  - Historical information since 2005 of applications processed by the Board of Review.
  - Historical information since 2005 of revenue loss to the City of Detroit.



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The Board of Review carefully and thoughtfully considered the make-up of homeowners within the City of Detroit, average household incomes for those persons who have filed for poverty exemptions in the past, reviewed guidelines and applications from other communities in the State of Michigan and consciously participating in every effort to prevent property tax foreclosure where it can by law.

The Board of Review fully understands and devotes time even outside of its normal duties to assist the community as it relates to educating and providing information to property owners when it comes to understanding property assessments and taxation. This includes providing appropriate information to supporting agencies such as UCHC, U-Snap-BAC, Accounting Aid Society, and others. In addition, board members frequently attend community meetings, seminars and workshops to provide assistance and information when requested.

Therefore, we submit to this Honorable Body for your consideration, approval and adoption by resolution the 2020 Homeowner Property Tax Assistance Program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Willie C. Donwell".

Willie C. Donwell, Chair/Adm.  
Detroit Board of Review

Cc; Mayor Mike Duggan  
Council President Brenda Jones  
Council Member Roy McCalister, Jr., Chair – Internal Operations Committee  
Stephen Grady, Chief of Staff – Council President Brenda Jones  
David Whitaker, Director – Legislative Policy Division  
Irvin Corley, Legislative Policy Division  
Liz Cabot, Legislative Policy Division  
Derrick Headd, Legislative Policy Division  
Marcel Todd, Legislative Policy Division  
David Massaron, Chief Financial Officer – Office of the Chief Financial Officer (OCFO)  
Charles Raimi – Deputy Corporation Counsel / Law Department  
Alvin Horhn, Assessor/Deputy CFO – Office of the Assessor-(OCFO)  
Charles Erickson – Assessor / Office of the Assessor (OCFO)  
Stefanie O’Neal – Assessor / Office of the Assessor (OCFO)  
Perry Yun, Law Department  
Kevin Richard, Law Department



Property Assessment

**Board of Review**

Richard, Law Department

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**Attachments;**

- 2020 HPTAP Resolution
- 2020 Process for Reviewing HPTAP Applications
- 2020 Exemption Petition
- 2020 Exemption Application
- 2020 Tax Exemption Application Affidavit
- 2020 HPTAP Application Letter
- Michigan Department of Treasury Form 4988
- Internal Revenue Service Form 4506-T
- STC Bulletin 2 of 2019 Boards of Review
- STC Bulletin 16 of 2018 Procedural Changes for the 2019 Assessment Year
- STC Bulletin 6 of 2017 Exemption of Principal Residence by Reason of Poverty
- Federal Register for US DHHS 2019 Poverty Guidelines
- MCL 211.7u
- Poverty Exemption Yearly Comparison
- Board of Review Deviation Form
- Board of Review Denial Statement
- Board of Review No Consideration Statement

**BY COUNCIL MEMBER \_\_\_\_\_**

**WHEREAS**, pursuant to Public Act 206 of 1893, as amended, specifically MCL 211.7u, the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption from taxation; and,

**WHEREAS**, also pursuant to MCL 211. 7u this Honorable Body is charged with adopting the policies and guidelines for the granting of said exemptions; and,

**WHEREAS**, pursuant to Section 9-401 of the Charter of the City of Detroit this Honorable Body has appointed a Citizen's Board of Review to hear and determine applications for exemption from taxation by reason of poverty; and,

**WHEREAS**, the Citizen's Board of Review has submitted to this Honorable Body the attached proposed amended 2020 Homeowners Property Tax Assistance Program application, policies, procedures and guidelines for approval;

**NOW, THEREFORE BE IT**

**RESOLVED**, that it is hereby found and determined that the attached proposed amended 2020 Homeowners Property Tax Assistance Program application, policies, procedures and guidelines provide for the exemption from taxation the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges; and be it further

**RESOLVED**, that the proposed amended 2020 Homeowners Property Tax Assistance Program application, policies, procedures and guidelines are hereby adopted and approved.

# Detroit Citizens Board of Review

## 2020 Process for Reviewing Homeowners Property Tax Assistance Program (HPTAP) Applications

1. Each applicant must own and occupy the property as his/her primary Homestead as of December 31, 2019.
2. A Homestead with a Taxable Value of \$95,000.00 and above will not be considered for an exemption unless there are extenuating circumstances. **ALL** Homesteads and/or any applicants with this set of circumstances must submit signed legal and/or medical documentation to the Board of Review.
3. Homeowners may be granted a full (100%), partial 50% exemption or partial 25% exemption. Regarding a Homestead Property Tax Credit that is forwarded to the City of Detroit, the proportioned amount remaining shall be exempt in whole or in part in accordance with the decision of the Board of Review.

**To be considered for an exemption, the applicant is required to submit the following to the Board of Review:**

- A completed and signed original petition (Page 1)
- The completed 4-page application form (Pages 2-5)
- Complete Federal and State Income Tax Returns filed in 2020 for 2019 (filed in 2019 for 2018 will be accepted), with all schedules, including any Homestead Property Tax Credit and Home Heating Credit returns, for **ALL** adults residing at the property.
  - For all adults residing at the property who were **not required** to file taxes, the Michigan Treasury Form 4988 Poverty Exemption Affidavit and IRS 4506-T must be completed and signed.
  - Additionally, all adults residing at the property who were **not required** to file taxes must provide proof of all sources of past years (2019) income for all members in the household including minor children.
- **ALL** other required supporting documentation. This should include:
  - Current identification for homeowner and all household members above the age of 18
  - Proof of residency for minor children (report card, transcript, FIA Statement, etc.)
  - Recorded proof of ownership
  - Documents verifying family/household composition
  - Household debts and expenses (only if the household income exceeds the income guidelines)

The Board of Review retains the right to request additional information from the applicant.

4. **Household (Related and Non-Related) Composition and Annual Income** – The Detroit Board of Review has established the following maximum eligible income as a guideline and as an aid in eliminating subjective judgments for reviewing **2020** petitions. **See table below:**

Number in Household	Maximum Income for Full (100%) Exemption	Maximum Income for Partial (50%) Exemption	Maximum Income for Partial (25%) Exemption
1	\$17,236.00	\$19,859.00	\$22,357.00
2	\$20,799.00	\$23,336.00	\$25,703.00
3	\$23,036.00	\$25,596.00	\$27,942.00
4	\$26,780.00	\$29,355.00	\$31,930.00
5	\$30,170.00	\$32,885.00	\$35,299.00
6	\$34,590.00	\$37,357.00	\$39,799.00
7	\$39,010.00	\$41,741.00	\$44,081.00
8	\$43,430.00	\$46,036.00	\$48,642.00

Add \$4,320.00 to the income limit for each household member above eight for a full exemption. For a partial 50% exemption add \$4,580.00 to the income limit for each household member above eight. For a partial 25% exemption add \$4,950.00 to the income for each household member above eight.

In addition, the total household assets (i.e. bank accounts, other real property, boats, campers, stocks, bonds, IRA's, other assets in or out of the United States, etc.) **SHALL NOT** exceed \$12,000.00. Verification of additional assets will be done for all parties and household members applying for property tax assistance. Information not provided by applicant that is discovered by the Board of Review may cause your application to be denied. If you have assets totaling more than \$12,000.00, explain your special circumstances and why your application should be approved despite your assets.

# Detroit Citizens Board of Review

## 2019 Process for Reviewing Homeowners Property Tax Assistance Program (HPTAP) Applications

5. Each application is reviewed according to individual circumstances based on information submitted by the applicant. The Board of Review utilizes all information in judging the taxpayer's ability to meet the tax obligation. If the taxpayer is within the above guidelines, the taxpayer may be granted a full or partial exemption. If the taxpayer is outside the above guidelines, the exemption will usually be denied.

If the taxpayer shows extraordinary circumstances that are substantial and compelling, the Board of Review may deviate from the above guidelines an exemption from 0% to 3.5% of the household income. In such an instance, the taxpayer shall be advised in writing of the substantial and compelling reasons for granting or denying an exemption and the reason shall also be noted on the application.

The Board of Review will receive applications and supporting materials up until the day before the final date of the December Board of Review, but to ensure that the Board has adequate time to review your request, please return at least two weeks before the March, July or December meeting dates:

March BOR meeting date: April 6<sup>th</sup>, 2020  
July BOR meeting date: July 21<sup>st</sup>, 2020  
December BOR meeting date: December 15<sup>th</sup>, 2020.

These guidelines are in accordance with the amendments to Section 7(u) of MCL 211 *et seq.*

It should be noted that each taxpayer's circumstances are considered anew each year. An incomplete application will delay the disposition process of the application and may also cause it to be denied.

Assistance with your application and free notarization of the petition is available at:

Board of Review - Coleman A. Young Municipal Center  
2 Woodward Ave. - Suite 124  
Detroit, Michigan 48226  
313-628-0722

Applications must be submitted by December 14, 2020 to:

Office of the Assessor – Coleman A. Young Municipal Center  
2 Woodward Ave. – Suite 804  
Detroit, Michigan 48226

**Important:** Any person who knowingly makes a false statement, omission or misrepresentation may not be considered for this assistance program and may be prosecuted to the fullest extent provided by law. Any/All applicants are subject to random home inspection for compliance with the City of Detroit guidelines.

**Respectfully submitted,**

**DETROIT CITIZENS BOARD OF REVIEW**

Geraldine Chatman, Vice Chair – At-Large

Dianne Allen, Member – District 3

Glenda McPherson, Member – At-Large

Maria Muhammad, Member – District 5

Leatha Larde, Member – District 1

Rocio Ocampo, Member – District 6

Mary Brazelton, Member – District 2

Lewis Moore, Member – District 7

Willie C. Donwell, Chair – District 4



## Petition to City of Detroit Board of Review

NEW  RENEWAL  DISTRICT #: \_\_\_\_\_ PETITION #: \_\_\_\_\_ TAX YEAR 2020

**TO BE COMPLETED BY OWNER (PLEASE FILE AS SOON AS POSSIBLE)**

Petition and application must be submitted to the Office of the Assessor – CAYMC Suite 804 Detroit, MI 48226

**PETITIONER (Homestead Owner Information / Subject Property Address)**

Full Name:			Organization that assisted with application (if any):
Street Address:			
DETROIT	MICHIGAN	ZIP:	Application Returned:
Phone Number:			
Alt. Phone Number:			

**Alternative Contact (OPTIONAL) – To contact in the event we cannot reach you.**

Full Name:	Relationship:
Address:	Phone Number:

**Please complete the following affidavit AND either (1) sign in front of a notary, or (2) complete the section of this form declaring your hardship. (Filed Petition and Application become the property of the City of Detroit)**

**Important:** Petition and application must be filed by December 14, 2020. Any person who knowingly makes a false statement, omission, or misrepresentation may not be considered for this assistance program and may be prosecuted to the fullest extent of the law. Any/All applications are subject to random home inspection for compliance with the City of Detroit Guidelines.

I, \_\_\_\_\_, say under penalty of perjury that the statements made in this application are true and that I/we have no money, income or assets other than that mentioned here, and grant the Board of Review permission to review all Federal, State or City of Detroit income tax records and further grant permission to contact all financial institutions and creditors regarding account balance in order to process this application.

*The undersigned certifies and requests exemption from property tax obligation for the current year ONLY, because of the inability to contribute fully toward the public charges by reason of poverty.*

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

**Option 1: Notarization** – Free notary service for this page is available at: Board of Review - CAYMC Suite 124

The foregoing has been subscribed and sworn before me this \_\_\_\_\_ Day of \_\_\_\_\_, 2020

Notary Public: \_\_\_\_\_ My commission expires: \_\_\_\_\_

**Option 2: Signature without notary – For applicants with hardship that makes notarization difficult.**

I, \_\_\_\_\_, say under penalty of perjury that I have hardship making it difficult to sign this document in front of a notary due to one or more of the following: (1) my advanced age, (2) my limited physical mobility, and/or (3) my role as a caretaker for a dependent, a person of advanced age, or a person with limited physical mobility.

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

**TO BE COMPLETED BY BOARD OF REVIEW**

**Legal Description – long legal may be truncated:**

**Property Address:**

Year 2020	Parcel:	Assessed Value	Taxable Value	Current Homestead %
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Board Disposition: Committee # \_\_\_\_\_ Poverty Exemption GRANTED \_\_\_\_\_% Poverty Exemption DENIED: \_\_\_\_\_

\_\_\_\_\_  
Committee Member Signature and Date

\_\_\_\_\_  
Committee Member Signature and Date

\_\_\_\_\_  
Committee Member Signature and Date



# 2020 HPTAP APPLICATION

Please complete each section and include all required documentation listed within the application.

Assistance is available at the Board of Review when you submit the application.

The Board of Review retains the right to request additional information from the applicant.

Applications not considered at the December Board of Review meeting cannot be considered for the current year.

## A. OWNERSHIP

### Who owns this property?

Provide a copy of proof of ownership (such as a deed, land contract, court order etc.). Any form of ownership recorded with the Wayne County Register of Deeds will be accepted.

List the names of all owners as they appear on the proof of ownership, even if they do not live at this address. If an owner does not live at the property, list their name and say that they do not live there. Please explain why they do not live there on Page 5.

**Owner Name(s):**

**PHONE NUMBER:**

## B. FAMILY/HOUSEHOLD COMPOSITION

### Who lives at this property?

List the name, age, employment status, and current monthly income for **ALL** people who live in the household.

- For adults age 18 and over, provide a copy of any valid government-issued identification that includes the resident's picture and address. This may be a Driver's License, State ID, Consulate ID, Student ID, Military ID, Tribal identification card, etc.
- For minors under 18, provide proof that the dependent lives at the property. This may be a copy of a recent report card, transcript, or other document that includes address. Documents from FIA, MDHHS, WIC, Friend of the Court, and others qualify. If the minor is included on a tax return that is filed with this application, no other proof is required.

#### Household members:

1	First Name	Last Name	Relationship	Age	Employed?		Current Monthly Income
			Yourself		Yes	No	
2							
3							
4							
5							
6							
7							
8							

If needed, list additional household members on a separate sheet of paper.

#### Current Marital Status (choose only one):

Single		Married		Divorced		Separated		Widowed	
--------	--	---------	--	----------	--	-----------	--	---------	--

If you are divorced or legally separated, provide a divorce judgment, order of separation or order of desertion. If proof of this documentation is not available, indicate that the spouse no longer lives at the property along with the present location if possible in a written statement on page 5.

**2019 Annual Household Income** – The Detroit Board of Review has established the following maximum eligible income as guidelines for reviewing **2020** petitions:

Household Size	1	2	3	4	5	6	7	8
<b>Full Exemption</b>	\$17,236	\$20,799	\$23,036	\$26,780	\$30,170	\$34,590	\$39,010	\$43,430
<b>50% Exemption</b>	\$19,859	\$23,336	\$25,596	\$29,355	\$32,885	\$37,357	\$41,741	\$46,036
<b>25% Exemption</b>	\$22,357	\$25,703	\$27,942	\$31,930	\$35,299	\$39,779	\$44,081	\$48,642

Add \$4,420.00 to the income limit for each household member above eight for a full exemption. For a 50% exemption add \$4,685.00 to the income limit for each household member above eight. For a 25% Exemption add \$4,950 for each person for household member above eight.

If the taxpayer shows extraordinary circumstances that are substantial and compelling, the Board of Review may deviate from the above guidelines and grant an exemption from 0% to 3.5% of the household income.

- If your household income is above the stated guidelines, please list any relevant debts in section F, provide documentation and explain your circumstances and why your application should be approved despite your income on Page 5.

### C. LAST YEAR'S HOUSEHOLD INCOME (2019)

**How much income did the household have in 2019?**

Enter the source and amount of 2019 monthly and annual income for each member of the household **in Chart 1**.

- For all adults in the home who filed income tax returns in 2020 for 2019 (2019 for 2018 will be accepted):
  - Provide a copy of **FULL** Federal and/or State income tax returns filed in 2020 for 2019 (filed in 2019 for 2018 will be accepted), including any Homestead Property Tax Credit and Home Heating Credit returns.
- For all adults in the home who are not required to file income tax returns in 2019 or 2020:
  - Provide documentation for all sources of income with your application (this includes minor children).
    - Appropriate documentation is listed with each income source.
    - If you do not have one or more of these documents, explain what you are missing and why on Page 5.
  - Complete the IRS Form 4506-T (form is included in this packet)
  - Complete the Poverty Exemption Affidavit (4988) (form is included in this packet)
- If needed, list income for additional household members on a separate sheet of paper.

**Chart 1:** Source and amount of 2019 income for each household member.

Property Owner:			Household Member:		
Income Source	2019 Monthly	2019 Total	Income Source	2019 Monthly	2019 Total
Wages (W-2 or paystub)			Wages (W-2 or paystub)		
Unemployment Comp (1099-G)			Unemployment Comp (1099-G)		
Pension (W-2 or 1099R)			Pension (W-2 or 1099R)		
Social Security-SSI/SSA/SSD (letter or 1099)			Social Security-SSI/SSA/SSD (letter or 1099)		
Bridge Card (Award letter)			Bridge Card (Award letter)		
FIA/DHS (Award Letter)			FIA/DHS (Award Letter)		
VA Benefits (Award letter)			VA Benefits (Award letter)		
Disability (1099)			Disability (1099)		
Child/Spousal Support (Judgment/award letter)			Child/Spousal Support (Judgment/award letter)		
Family/friends support (signed statement)			Family/friends support (signed statement)		
Self-Employment (Checks, Receipts, or signed statement)			Self-Employment (Checks, Receipts, or signed statement)		
Rental Income (Checks/receipts)			Rental Income (Checks/receipts)		
Dividends			Dividends		
Other			Other		
K-12, College, University Scholarships/Grants					

## D. TAX CREDITS AND REBATES

If applicable, list and provide documentation for all tax credits and rebates received in 2019 or 2020. If a tax return is included in this application, this section is not required.

Property Tax Credit:	Other Credits:
Home Heating Credit:	

## E. ASSETS

Absent of special circumstances, total household assets must be less than \$12,000. If you have assets totaling more than \$12,000, do not sign the statement below. Instead, explain your circumstances and why your application should be approved despite your assets on Page 5.

By signing below, you are affirming you have less than \$12,000 in assets, including savings/checking account balances; stocks; retirement accounts; bonds; additional properties not the subject of this application; and/or vehicles. Your signature here is subject to the penalties of misrepresentation found in MCL 211.120(4). If you have more than \$12,000 in assets, do not sign and list assets below:

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

Checking / Savings Balance:	Stocks / Bonds / 401K / IRA / Annuity:
Address of other property #1:	Value:
Address of other property #2:	Value:
Vehicle Make & Year:	Payment:                      Balance:
Vehicle Make & Year:	Payment:                      Balance:
Other Assets:	Value:

## F. DEBTS AND EXPENSES

If your household income falls below the income guidelines presented on Page 3 of this application, you do not need to list your debts and expenses.

If your income is above the guidelines on Page 3 of this application, list your debts and provide copies of any current bills/debts so that the Board can assess your ability to pay. You should also provide more detail about your need for assistance on Page 5.

Creditor	Monthly	Balance Due	Creditor	Monthly	Balance Due
DTE			Back Property Taxes		
Water			Back Income Taxes		
Mortgage/Land Contract			Child/Spousal Support		
Home Insurance			Car Insurance		
Telephone/Cell			Education/School		
Cable/Internet			Loans		
Medical Insurance			Credit Card Debt		
Medical Bills			Support to Friends/Family		
Prescriptions(s)			Other		

# 2020 HPTAP STATEMENT FORM

If you would like to include additional information about your application or current circumstances, please do so here:  
 If needed use additional paper to complete your statement.

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**SIGNATURE:** \_\_\_\_\_

HH Size	Full Exemption	50% Exemption	25% Exemption	<b>BOARD OF REVIEW USE ONLY</b>	Age:
1	\$17,236	\$19,859	\$22,357		Number of Owners:
2	\$20,799	\$23,336	\$25,703		Total Household Members:
3	\$23,036	\$25,596	\$27,942		Monthly Income:
4	\$26,780	\$29,355	\$31,930		
5	\$30,170	\$32,855	\$35,299		Monthly Expenses (if applicable):
6	\$34,590	\$37,357	\$39,779		
7	\$39,010	\$41,741	\$44,081		Total Household Income:
8	\$43,430	\$46,036	\$48,642		

# DOCUMENTATION CHECKLIST

This form is intended to assist you in completing your application. It is NOT a required form. You are encouraged to apply two weeks in advance of the March, July and December Board of Review meetings.  
**APPLICATION MUST BE COMPLETED IN ENGLISH**

## Section A. OWNERSHIP

- Copy of recorded proof of ownership (deed, land contract, court order, etc.).

## Section B. FAMILY/HOUSEHOLD COMPOSITION

*For adults age 18 and over:*

- Copy of identification (any government-issued ID that includes picture and home address, such as a Driver's License, State ID, Consulate ID, Student ID, etc.)

*For minors under 18:*

- Proof that dependent lives at address (Copy of a recent report card, transcript, or other document that includes address, such as those from FIA, MDHHS, WIC, Friend of the Court, etc.).

## Section C. LAST YEAR'S HOUSEHOLD INCOME (2019)

*For all adults in the home who filed income tax returns:*

- Copy of FULL Federal and/or State income tax returns filed in 2020 for 2019 (filed in 2019 for 2018 will be accepted), including all schedules and any Homestead Property Tax Credit and Home Heating Credit returns.

*For all adults in the home who are not required to file income tax returns in 2019 or 2020:*

- IRS Form 4506-T (included within this packet)
- Poverty Exemption Affidavit (4988) (included within this packet)

Copies of all applicable income sources in 2019 for all household members including minor children:

- |   |   |
|---|---|
| <input type="checkbox"/> Wages (W-2 or paystub)       | <input type="checkbox"/> VA Benefits (Award letter)                         |
| <input type="checkbox"/> Unemployment Comp (1099-G)   | <input type="checkbox"/> Disability (1099)                                  |
| <input type="checkbox"/> Pension (W-2 or 1099R)       | <input type="checkbox"/> Child /Spousal Support (Judgment/award letter)     |
| <input type="checkbox"/> SSI/SSA/SSD (letter or 1099) | <input type="checkbox"/> Support from Family/Friends (signed statement)     |
| <input type="checkbox"/> Bridge Card (Award letter)   | <input type="checkbox"/> Self-Employment (Checks/Receipts/signed statement) |
| <input type="checkbox"/> FIA/DHS (Award Letter)       | <input type="checkbox"/> Rental Income (Checks or receipts)                 |
| <input type="checkbox"/> Dividends                    | <input type="checkbox"/> Other  |

## Section D. TAX CREDITS AND REBATES

*For all adults in the home who are not required to file income tax returns in 2019 or 2020, but applied for and received tax credits and rebates in 2019 or 2020:*

- Documentation for all tax credits and rebates received in 2019 or 2020, including any Homestead Property Tax Credit and Home Heating Credit returns.

## Section E. ASSETS – no documentation required if under \$12,000.

## Section F. DEBTS AND EXPENSES

*For households whose income does not fall below guidelines on Page 3:*

- Copies of all relevant household debts

### **Important: incomplete applications may not be considered.**

In order for your application to be considered, additional information may be requested by the Board of Review. If contacted, please submit this information in the time frame requested by the Board of Review.

Taxpayers claiming inability to meet their property tax obligation due to limited income may be eligible for financial assistance by filing: Michigan Homestead Property Tax Credit Claim and Home Heating Tax Credit. Refunds arising from these claims are intended to assist taxpayers in meeting their obligation. If the Board of Review exempted your property last year from paying taxes, you are **not eligible to file** a Michigan Homestead Property Tax Claim. If you are eligible, you are required to file and submit a copy of your filing as part of your required documentation when seeking a poverty exemption. Your credit claim form is subject to review by the State of Michigan, City of Detroit and Board of Review.



CITY OF DETROIT

2020 Homeowners Property Tax Assistance Program
Tax Exemption Application Affidavit

FOR OFFICE USE ONLY

HPTAP2020YLW

I, \_\_\_\_\_, certify and attest to the following:

Print Name

- 1) a) I received an exemption from property taxes by reason of poverty for 2017, 2018, and 2019 or b) I am over the age of 65 or a person with special needs...
2) I have attached a copy of my Federal Income Tax return for the most recent tax year.
3) My income for the most recent tax year did not increase from that of the previous tax year...
4) My assets for the most recent tax year did not increase from that of the previous tax year...
5) My ownership of, principal residence within, the residential property for which I am seeking an exemption...
6) I am either unable to complete the City of Detroit Board of Review's Homeowners Property Tax Assistance Application...
7) I have provided a copy of my current identification, recorded proof of ownership and notarized affidavit.
8) The address of my principal residence is:

Print Property Address

Parcel Identification Number

Phone

Please complete the following affidavit AND either (1) sign in front of a notary, or (2) complete the section of this form declaring your hardship.

Important: Petition and application must be filed by December 14, 2020. Any person who knowingly makes a false statement, omission, or misrepresentation may not be considered for this assistance program...

I, \_\_\_\_\_, say under penalty of perjury that the statements made in this application are true and that I/we have no money, income or assets other than that mentioned here...

The undersigned certifies and requests exemption from property tax obligation for the current year ONLY, because of the inability to contribute fully toward the public charges by reason of poverty.

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

Option 1: Notarization - Free notary service for this page is available at: Board of Review - CAYMC Suite 124

The foregoing has been subscribed and sworn before me this \_\_\_\_\_ Day of \_\_\_\_\_, 2020

Notary Public: \_\_\_\_\_ My commission expires: \_\_\_\_\_

Option 2: Signature without notary - For applicants with hardship that makes notarization difficult.

I, \_\_\_\_\_, say under penalty of perjury that I have hardship making it difficult to sign this document in front of a notary due to one or more of the following: (1) my advanced age, (2) my limited physical mobility, and/or (3) my role as a caretaker...

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



FOR OFFICE USE ONLY

HPTAP2020YLW

**CITY OF DETROIT – BOARD OF REVIEW**  
**Coleman A. Young Municipal Center**  
**Two Woodward Avenue, Suite 804**  
**Detroit, Michigan, 48226**  
**Office: 313-628-0722**

**DOCUMENTATION REQUIRED FOR THE**  
**2020 HOMEOWNERS PROPERTY TAX ASSISTANCE PROGRAM**  
**TAX EXEMPTION APPLICATION AFFIDAVIT**  
**FILED APPLICATIONS ARE THE PROPERTY OF THE CITY OF DETROIT**

**YOU ARE RECEIVING THIS AFFIDAVIT BECAUSE:**

Based on information provided on a previous application, the Board of Review will consider your appeal based on your affirmation that your circumstances have not changed including but not limited to no increase of income and/or assets that should be considered as a part of the appeal process.

The Board of Review does not waive its right to require any additional information in the consideration of your appeal.

**YOU MUST PROVIDE:**

- 1) ORIGINAL PETITION SIGNED AND NOTARIZED OR AFFIRMING HARDSHIP WITH A PHONE NUMBER: (DO NOT SUBMIT A PHOTOCOPY OF THIS PETITION) Persons acting as Conservator or Guardian must provide documentation. Include a phone number where you can be contacted between the hours of 9:00 a.m. and 3:30 p.m.
- 2) 2020 TAX EXEMPTION APPLICATION AFFIDAVIT: (DO NOT SUBMIT A PHOTOCOPY OF THIS AFFIDAVIT) completed original 2020 Tax Exemption Application Affidavit signed and notarized with a phone number.
- 3) CURRENT/VALID PHOTO IDENTIFICATION: A photocopy of your current/valid State of Michigan ID or Driver's License.
- 4) PROOF OF OWNERSHIP: Copy of proof of ownership recorded with Wayne County Register of Deeds must be provided (deed, land contract, court order, etc.). Memorandum of Land Contract will not be accepted.
- 5) 2019 FEDERAL AND STATE TAX RETURNS. Complete (all pages) federal and state tax returns for household members who are required to file income tax returns in 2020 for 2019.



Property Assessment  
**Board of Review**

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 124  
Detroit, Michigan 48226

Phone: 313-628-0722  
Fax: 313-224-4576  
[www.detroitmi.gov](http://www.detroitmi.gov)

## **Homeowners Property Tax Assistance Program (HPTAP)**

**Assistance with your application and free notarization for your petition is available at the Board of Review office listed above**

### **Important information about HPTAP:**

- HPTAP is provided in accordance with MCL 211.7u of the General Property Tax Act.
- You must own and occupy the property as your principal residence.
- You must apply each year for the HPTAP to be considered for an exemption.
- You must complete the entire application and provide ALL required documentation. Failure to do so will delay the consideration of your application.
- Applications are available at the Office of the Assessor in the Coleman A. Young Municipal Center or online at [www.detroitmi.gov/How-Do-I/Property-Assessment-Documents](http://www.detroitmi.gov/How-Do-I/Property-Assessment-Documents).

### **The Board of Review (BOR) releases decisions only three (3) times per year (after):**

March BOR meeting date: April 6<sup>TH</sup>, 2020  
July BOR meeting date: July 21<sup>st</sup>, 2020  
December BOR meeting date: December 15<sup>th</sup>, 2020

- You are encouraged to apply at least two weeks before the March, July or December Board of Review. Applications that are submitted after December 14<sup>th</sup>, 2020 will not be considered.
- The Board of Review (BOR) will review your application and decide if an exemption will be granted. If more information or follow-up is needed, the BOR may contact you by phone or by mail.
- You will be mailed a decision letter within ten (10) business days after the close of the BOR in which your application was decided on.
- If you are granted an exemption at the March BOR, you will receive a lowered tax bill for that year.
- If you are granted an exemption at either the July or December BOR, you will receive a full property tax bill in July. An adjusted tax bill will be mailed after the July or December BOR. If you pay your tax bill and are then granted an exemption, you will be mailed a refund for the excess payment.
- If you are not granted an exemption, you will receive an explanation in your decision letter. This will include the process and timeline for appealing this decision if you choose to do so.

### **What you should know about your property tax obligation:**

- If you are granted an exemption, it will only lower the current year's property taxes.
- Make sure you apply again every year to lower future years' taxes.
- You must pay the solid waste fee (trash pick-up), even if you are granted an exemption.
- If you owe property taxes for past years, contact the Wayne County Treasurer by phone at (313) 224-5990 or online at <https://pta.waynecounty.com/>. Free tax counseling is available at the United Community Housing Coalition, 9am-12pm Monday, Wednesday and Friday (2727 2<sup>nd</sup> Ave. Suite 313).

### **The following additional programs are available to reduce your taxes:**

- Assessment Appeal (You must appeal during February 1<sup>st</sup> – 15<sup>th</sup>)
- Homestead Property Tax Credit (Michigan Treasury Form 1040CR)
- Interest Reduced Stipulated Payment Agreement (Wayne County Treasurer)
- Step Forward Michigan ([www.stepforwardmichigan.org/](http://www.stepforwardmichigan.org/))
- Solid Waste Reduction – 65 and older with total household income of \$40,000 or less (Detroit Office of the Treasury)

**Sincerely,  
Detroit Board of Review**



## Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

**INSTRUCTIONS:** When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, \_\_\_\_\_, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Person Making Affidavit

\_\_\_\_\_  
Date

**Request for Transcript of Tax Return**

OMB No. 1545-1872

- ▶ Do not sign this form unless all applicable lines have been completed.
- ▶ Request may be rejected if the form is incomplete or illegible.
- ▶ For more information about Form 4506-T, visit [www.irs.gov/form4506t](http://www.irs.gov/form4506t).

**Tip.** Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at [IRS.gov](http://IRS.gov) and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 Customer file number (if applicable) (see instructions)	

**Note:** Effective July 2019, the IRS will mail tax transcript requests only to your address of record. See **What's New** under **Future Developments** on Page 2 for additional information.

6 **Transcript requested.** Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶ \_\_\_\_\_

a **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days . . . . .

b **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days . . . . .

c **Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days . . . . .

7 **Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days . . . . .

8 **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days . . . . .

**Caution:** If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

12 / 31 / 2019	12 / 31 / 2018	12 / 31 / 2017	/ /
----------------	----------------	----------------	-----

**Caution:** Do not sign this form unless all applicable lines have been completed.

**Signature of taxpayer(s).** I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note:** This form must be received by IRS within 120 days of the signature date.

**Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T.** See instructions.

	Phone number of taxpayer on line 1a or 2a
Signature (see instructions)	Date
Title (if line 1a above is a corporation, partnership, estate, or trust)	
Spouse's signature	Date

**Sign Here**

Section references are to the Internal Revenue Code unless otherwise noted.

**Future Developments**

For the latest information about Form 4506-T and its instructions, go to [www.irs.gov/form4506t](http://www.irs.gov/form4506t). Information about any recent developments affecting Form 4506-T (such as legislation enacted after we released it) will be posted on that page.

**What's New.** As part of its ongoing efforts to protect taxpayer data, the Internal Revenue Service announced that in July 2019, it will stop all third-party mailings of requested transcripts. After this date masked Tax Transcripts will only be mailed to the taxpayer's address of record.

If a third-party is unable to accept a Tax Transcript mailed to the taxpayer, they may either contract with an existing IVES participant or become an IVES participant themselves. For additional information about the IVES program, go to [www.irs.gov](http://www.irs.gov) and search IVES.

**General Instructions**

**Caution:** Do not sign this form unless all applicable lines have been completed.

**Purpose of form.** Use Form 4506-T to request tax return information. Taxpayers using a tax year beginning in one calendar year and ending in the following year (fiscal tax year) must file Form 4506-T to request a return transcript.

**Note:** If you are unsure of which type of transcript you need, request the Record of Account, as it provides the most detailed information.

**Customer File Number.** The transcripts provided by the IRS have been modified to protect taxpayers' privacy. Transcripts only display partial personal information, such as the last four digits of the taxpayer's Social Security Number. Full financial and tax information, such as wages and taxable income, are shown on the transcript.

An optional Customer File Number field is available to use when requesting a transcript. This number will print on the transcript. See Line 5 instructions for specific requirements. The customer file number is an optional field and not required.

**Tip.** Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

**Automated transcript request.** You can quickly request transcripts by using our automated self-help service tools. Please visit us at [IRS.gov](http://IRS.gov) and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946.

**Where to file.** Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

**Chart for individual transcripts (Form 1040 series and Form W-2 and Form 1099)**

If you filed an individual return and lived in:	Mail or fax to:
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team Stop 6716 AUSC Austin, TX 73301  855-587-9604
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	Internal Revenue Service RAIVS Team Stop 37106 Fresno, CA 93888  855-800-8105
Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	Internal Revenue Service RAIVS Team Stop 6705 S-2 Kansas City, MO 64999  855-821-0094

**Chart for all other transcripts**

If you lived in or your business was in:	Mail or fax to:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, Wyoming, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409  855-298-1145
Maine, Massachusetts, New Hampshire, New York, Pennsylvania, Vermont	Internal Revenue Service RAIVS Team Stop 6705 S-2 Kansas City, MO 64999  855-821-0094

**Line 1b.** Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

**Line 3.** Enter your current address. If you use a P.O. box, include it on this line.

**Line 4.** Enter the address shown on the last return filed if different from the address entered on line 3.

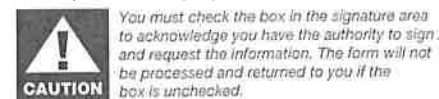
**Note:** If the addresses on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party — Business.

**Line 5b.** Enter up to 10 numeric characters to create a unique customer file number that will appear on the transcript. The customer file number should not contain an SSN. Completion of this line is not required.

**Note.** If you use an SSN, name or combination of both, we will not input the information and the customer file number will reflect a generic entry of "9999999999" on the transcript.

**Line 6.** Enter only one tax form number per request.

**Signature and date.** Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. The IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.



**Individuals.** Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

**Corporations.** Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer. A bona fide shareholder of record owning 1 percent or more of the outstanding stock of the corporation may submit a Form 4506-T but must provide documentation to support the requester's right to receive the information.

**Partnerships.** Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

**All others.** See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

**Note:** If you are Heir at law, Next of kin, or Beneficiary you must be able to establish a material interest in the estate or trust.

**Documentation.** For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

**Signature by a representative.** A representative can sign Form 4506-T for a taxpayer only if the taxpayer has specifically delegated this authority to the representative on Form 2848, line 5. The representative must attach Form 2848 showing the delegation to Form 4506-T.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form, 10 min.; Preparing the form, 12 min.; and Copying, assembling, and sending the form to the IRS, 20 min.**

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service  
Tax Forms and Publications Division  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224

Do not send the form to this address. Instead, see *Where to file* on this page.



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**Bulletin 2 of 2019**  
**February 12, 2019**  
**Boards of Review**

**TO: Boards of Review and Assessing Officers**

**FROM: State Tax Commission**

**RE: 2019 Boards of Review**

This Bulletin contains information that Boards of Review need to be aware of for the 2019 assessment year. The State Tax Commission Frequently Asked Questions regarding the statutory obligations for Boards of Review can be found on the State Tax Commission website at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission). The State Tax Commission asks that all Boards of Review carefully review this document in order to fully understand their statutory obligations. Board of Review members are also strongly encouraged to attend an annual *Board of Review Member Training Program* to review updates on statutory and policy changes.

### 1) Key Dates for 2019 Boards of Review

- **March 5, 2019.** The March Board of Review begins their work on the Tuesday following the first Monday in March. On this day, the Board holds their organizational meeting and formally receives the assessment roll from the assessor. This is the meeting for the Board to “get organized”. They should elect a chairperson, discuss how they are going to conduct business, review any statutory or policy changes they should be aware of for the current year and receive any briefings they want from the assessor regarding the assessment roll. The Board will not hear appeals at this first meeting.
- **March 11, 2019.** Appeal meetings of the March Board begin on the 2nd Monday in March. Local units can set an alternative start date for the appeal meetings by adopting an ordinance or resolution, but that alternative start date can only be the Tuesday or Wednesday of that same week (i.e. the Tuesday or Wednesday following the 2nd Monday in March).

The required first appeal meeting on the second Monday in March must start no earlier than 9 A.M. and no later than 3 P.M. The Board must meet for a minimum of 6 hours that day. The Board must meet a total of at least 12 hours during that first week and at least 3 hours of the required sessions must be after 6 P.M.

- **April 1, 2019.** The March Board of Review must complete their work by the first Monday in April. Assessment rolls must be turned over to County Equalization by the

Wednesday following the first Monday in April or 10 days following the close of the March Board, whichever is first.

- **July 16, 2019.** If convened, the July Board meets on the Tuesday following the third Monday in July, unless an alternate start date is adopted by the local unit.
- **December 10, 2019.** If convened, the December Board meets the Tuesday following the second Monday in December, unless an alternate start date is adopted by the local unit.

## **2) Alternate Start Dates for the July or December Boards of Review:**

Public Act 122 of 2008 amended MCL 211.53b to provide that July or December Boards of Review may have an alternate start date. The act requires that the governing body of the City or Township adopt by ordinance or resolution alternate start dates that must conform to the following: For the July Board, an alternate date during the week of the 3<sup>rd</sup> Monday in July. For the December Board, an alternate date during the week of the 2<sup>nd</sup> Monday in December.

## **3) Documentation of Board of Review Changes:**

The State Tax Commission requires that all Boards of Review maintain appropriate documentation of their decisions including; minutes, a copy of the form 4035, form 4035a whenever the Board of Review makes a change that causes the Taxable Value to change and a Board of Review Action Report. Form 4035 must include a detailed reason why the Board made their determination. **Assessors please note, you are not required to file the Board of Review log or Action Report with the State Tax Commission.**

Minutes must include all the following items:

- Day, time and place of meetings.
- Members present, members absent, name of elected chairperson and notation of any correspondence received.
- A log that identifies the hearing date, the petition number, the petitioner's name, the parcel number, the type of appearance, type of appeal and decision of the board of review.
- Record daily the actual hours the Board was in session, and time of daily adjournments. Record the closing date and time of the final annual session.

## **4) Inflation Rate used in the 2019 Capped Value Formula:**

MCL 211.34d defines the calculation for the Inflation Rate Multiplier. The statute states in part:

- (l) "Inflation rate" means the ratio of the general price level for the state fiscal year ending in the calendar year immediately preceding the current year divided by the

general price level for the state fiscal year ending in the calendar year before the year immediately preceding the current year.

Further, (f) states "General price level" means the annual average of the 12 monthly values for the United States consumer price index for all urban consumers as defined and officially reported by the United States department of labor, bureau of labor statistics.

Based on this statutory requirement, the calculation for 2019 is as follows:

1. The 12 monthly values for October 2016 through September 2017 are averaged.
2. The 12 monthly values for October 2017 through September 2018 are averaged.
3. The ratio is calculated by dividing the average of column 2 by the average of column 1.

The specific numbers from the US Department of Labor, Bureau of Labor Statistics are as follows:

Oct-16	241.729	Oct-17	246.663
Nov-16	241.353	Nov-17	246.669
Dec-16	241.432	Dec-17	246.524
Jan-17	242.839	Jan-18	247.867
Feb-17	243.603	Feb-18	248.991
Mar-17	243.801	Mar-18	249.554
Apr-17	244.524	Apr-18	250.546
May-17	244.733	May-18	251.588
Jun-17	244.955	Jun-18	251.989
Jul-17	244.786	Jul-18	252.006
Aug-17	245.519	Aug-18	252.146
Sep-17	<u>246.819</u>	Sep-18	<u>252.439</u>
<b>Average</b>	<b>243.841</b>	<b>Average</b>	<b>249.749</b>
		Ratio	<b>1.024</b>
		% Change	<b>2.4%</b>

**Local units cannot develop or adopt or use an inflation rate multiplier other than 1.024 in 2019. It is not acceptable for local units to indicate to taxpayers that you do not know how the multiplier is developed.**

### **5) County Multipliers:**

It has come to the attention of the State Tax Commission that some Boards of Review believe it is appropriate to develop their own County Multipliers. It is not acceptable for a local unit or Board of Review to develop County Multipliers. The multipliers developed by the State Tax Commission must be used.

### **6) Qualified Errors:**

The State Tax Commission continues to note a number of July and December Boards of Review making changes that are not allowed by the statute. **Boards of Review and**

**assessors are cautioned to take great care to ensure that any changes made by the July or December Board meet the requirements of MCL 211.53b.**

MCL 211.53b provides that the July or December Boards of Review can correct "qualified errors" for the current year and one prior year, unless additional years are specifically addressed by the statute.

A correction under subsection (6) regarding Principal Residence Exemptions may be made for the year in which the appeal was filed and the three immediately preceding years.

A correction under subsection (8) that approves a qualified personal property exemption contained in MCL 211.9o for small business taxpayers may be made for the year in which the appeal was filed and the immediately preceding tax year.

The July and December Boards of Review **have no authority** over the Eligible Manufacturing Personal Property Exemptions contained in MCL 211.9m and MCL 211.9n. If an assessor misplaces or missed a timely filed Form 5278, that **is not** considered a clerical error or mutual mistake and cannot be considered by the July or December Board of Review.

Regarding MCL 211.27a(4); if the taxable value of property is adjusted and the assessor determines that there had not been a transfer of ownership, the taxable value of the property shall be adjusted for the current year and for the three immediately preceding calendar years. An adjustment under this subsection shall be considered the correction of a clerical error.

**Qualified Errors are defined in MCL 211.53b as:**

- A clerical error relative to the correct assessment figures, the rate of taxation, or the mathematical computation relating to the assessing of taxes
- A mutual mistake of fact.
- An adjustment under section 27a(4) – taxable value or an exemption under section 7hh(3)(b)– qualified start-up business exemption.
- An error of measurement or calculation of the physical dimensions or components of the real property being assessed.
- An error of omission or inclusion of a part of the real property being assessed.
- An error regarding the correct taxable status of the real property being assessed.
- An error made by the taxpayer in preparing the statement of assessable personal property under section 19.
- An error made in the denial of a claim of exemption for personal property under section 9o.

**“Clerical Errors’ and ‘Mutual Mistakes of Fact’ are defined by the courts as follows:**

**Clerical Error** was defined by the Court of Appeals in *International Place Apartments v Ypsilanti Township* 216 Mich App 104; 548 NW2d 668 (1996), as “an error of a transpositional, typographical, or mathematical nature.” July and December Boards of Review are NOT allowed to revalue or reappraise property when the reason for the action is that the assessor did not originally consider all relevant information.

**Mutual Mistake of Fact** was defined by the Court of Appeals in *Ford Motor Co v City of Woodhaven*, 475 Mich 425; 716 NW2d 247 (2006) as “an erroneous belief, which is shared and relied on by both parties, about a material fact that affects the substance of the transaction.” This definition was clarified by the Michigan Supreme Court in *Briggs Tax Service, LLC v Detroit Public Schools*, 485 Mich 69; 780 NW2d 753 (2010). The Michigan Supreme Court indicated that to qualify, the “mutual mistake of fact” must be one that occurs only between the assessor and the taxpayer.

## 7) Disabled Veterans Exemption:

The State Tax Commission has issued significant guidance on the Disabled Veterans Exemption. This guidance can be found on the State Tax Commission website under “What’s New”. Boards of Review are encouraged to review all Disabled Veterans Exemption guidance issued by the State Tax Commission.

Boards of Review are strongly cautioned that the determination that a veteran is 100% disabled or individually unemployable is made by the U.S. Department of Veterans Affairs. Boards of Review **do not** have authority to make an independent determination that a veteran is 100% disabled or individually unemployable. Conversely, Boards of Review **do not** have the authority to determine a veteran is not 100% disabled or individually unemployable once the U.S. Department of Veterans Affairs has issued their determination.

**Disabled Veterans Exemption for Unremarried Surviving Spouse:** The State Tax Commission is aware that the Michigan Tax Tribunal in MTT Docket 16-004780, *Deborah E. Rabun v City of Farmington Hills*, held that a surviving spouse cannot qualify for the exemption when the deceased disabled veteran never owned or occupied the subject property as a homestead.

While the STC understands that is the position of the MTT, the STC does not agree or support that determination. It was never legislative intent that the unremarried surviving spouse be required to forever live in the original home. In fact, the STC in their original guidance indicated that: *the Disabled Veteran’s exemption is not an exemption for the benefit of the property. Instead, it is an exemption personal to the qualifying disabled veteran or the unremarried surviving spouse of the qualified deceased disabled veteran.*

Since the exemption is personal to the qualified individual the STC is advising assessors and Boards of Review that they can and should approve exemptions for unremarried surviving spouses that meet all other statutory requirements, regardless of if the disabled veteran ever owned or occupied that subject property as a homestead.

## 8) Personal Property Tax:

On May 3, 2018 Governor Snyder signed in law P.A. 132 of 2018. This act made changes to the Small Business Taxpayer Exemption (MCL 211.9o), specifically changing the filing requirements to provide that eligible taxpayers **do not** have to annually file to receive the exemption. Taxpayers who filed for the exemption in prior years still must file Form 5076, *Small Business Property Tax Exemption Claim Under MCL 211.9o*, in 2019 to claim the exemption. Once granted, the assessor will then continue to exempt the personal property until the taxpayer files a rescission indicating they no longer qualify for the exemption.



Assessors can implement an audit program to determine if taxpayers still qualify for the exemption.

As a reminder, Public Acts 261-264 of 2017 were signed into law on December 28, 2017. These Acts made several changes that affect both the Small Business Taxpayer Exemption and the Eligible Manufacturing Personal Property Exemption (EMPP).

P.A. 261 of 2017 changes the deadline for filing the Small Business Taxpayer Exemption to February 20 and changed Form 5076 from an Affidavit to a Statement. This allows the assessor to accept either a facsimile or electronic signature on Form 5076. Form 5076 has been updated to reflect these statutory changes.

P.A. 261-264 of 2017 also changed the statute to allow assessors to accept a postmark by February 20 for Form 5278 to claim the EMPP exemption. Form 5278 and Form 632 (Personal Property Statement) have been updated to reflect these statutory changes.

Finally, P.A. 261-264 of 2017 changed the appeal procedure for both the Small Business Taxpayer Exemption and the EMPP exemption. Taxpayers who miss the filing deadline for either exemption may file a late application directly with the March Board of Review. The March Board of Review should grant the exemption as long as the taxpayer otherwise qualifies for the exemption. Both the Assessors Guide to the Small Business Taxpayer Exemption and the Assessors Guide to EMPP and ESA have been updated to reflect these statutory changes.

The updated Guide to the Small Business Taxpayer Exemption and Assessors Guide to EMPP and ESA are available online at [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions).

Further information and guidance on the Eligible Manufacturing Personal Property (EMPP) Exemption, Special Acts and the Essential Services Assessment (ESA) is available at [www.michigan.gov/ESA](http://www.michigan.gov/ESA). Additional questions should be sent via email to [ESAQuestions@michigan.gov](mailto:ESAQuestions@michigan.gov).

## **9) Poverty Exemptions:**

The State Tax Commission issued Bulletin 6 of 2017 regarding Poverty Exemptions. This Bulletin reflects updates due to recent court decisions and legislative changes. Specifically:

The Michigan Court of Appeals ruled in *Ferrero v Township of Walton* (Docket No. 302221) that monies received pursuant to MCL 206.520 (homestead property tax credit) is a rebate of property taxes and is not income for purposes of MCL 211.7u.

Statutory changes to allow an affidavit 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 does include the individual filing for the exemptions.

Board of Review members are encouraged to review Bulletin 6 of 2017 prior to the start of March Board of Review meetings.

## **10) Property Classification and Transfer of Ownership:**

Boards of Review are encouraged to review the *Property Classification and Transfer of Ownership Guidelines* available on the State Tax Commission website.

## **11) Public Act 660 of 2018:**

Public Act 660 of 2018 was signed by the Governor on December 31, 2018. This Public Act made several changes to the General Property Tax Act. MCL 211.10d(7) was amended to allow a village located in more than 1 assessing district to request State Tax Commission approval that the assessment of property within the village be combined with the assessment of property in 1 of those assessing districts. Public Act 660 also amends MCL 211.28(6) to allow the governing bodies of 2 or more contiguous cities or townships to enter into an agreement to appoint a single board of review to serve as the board of review for each of those cities or townships.

The State Tax Commission will provide additional resources and guidance regarding changes to be implemented as a result of Public Act 660 of 2018.

## **12) Resources and Training:**

The State Tax Commission has published a significant amount of resource information to assist Boards of Review in carrying out their statutory responsibilities. This information can be found on the State Tax Commission website at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission) under the Board of Review Information heading.

The State Tax Commission recommends that all new and returning Board of Review Members annually attend training to receive updated information related to legislative and policy changes that have occurred during the past year.

For additional BOR resource and training information, please contact the State Tax Commission at (517) 335-3429.



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**Bulletin 16 of 2018  
October 22, 2018  
Changes for 2019**

**TO:** Assessing Officers and County Equalization Directors  
**FROM:** State Tax Commission  
**SUBJECT:** Procedural Changes for the 2019 Assessment Year

The purpose of this Bulletin to provide information on statutory changes or procedural changes for the 2019 assessment year.

**A. Inflation Rate Used in the 2019 Capped Value Formula**

The inflation rate, expressed as a multiplier, to be used in the 2019 Capped Value Formula is 1.024.

The 2019 Capped Value Formula is as follows:

$$2019 \text{ CAPPED VALUE} = (2018 \text{ Taxable Value} - \text{LOSSES}) \times 1.024 + \text{ADDITIONS}$$

The formula above does not include 1.05 because the inflation rate multiplier of 1.024 is lower than 1.05.

**B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2019**

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 \$20,780 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 \$20,780. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2019 assessments:

Size of Family Unit	Poverty Guidelines
1	\$12,140
2	\$16,460
3	\$20,780
4	\$25,100
5	\$29,420
6	\$33,740
7	\$38,060
8	\$42,380
For each additional person	\$4,320

**Note:** PA 390 of 1994 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 6 of 2017 for more information on poverty exemptions.

**Note:** P.A. 135 of 2012 changed the requirements for filing documentation in support of a poverty exemption to allow 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 does include the owner of the property who is filing for the exemption.

### C. Multipliers for the Valuation of Free-Standing Communication Towers

The State Tax Commission recommends that, subject to the qualifications stated below, communication towers should be valued for the 2019 assessment year using the table of **historical** (original cost when the tower was new) cost valuation multipliers set forth in the multiplier table below. These multipliers have been developed in a manner such that they account for the typical depreciation which is expected for a tower of the indicated age and also account for changes in the cost of the tower and erecting it that have occurred since the time the tower was constructed. On this basis, the multiplier table which is shown below is intended to predict the current true cash value of a tower of the vintage year in which the tower was constructed. An important component in determining the current value of a tower built in a given year is the change in the cost of materials, particularly changes in the cost of steel, between the time of construction and the current tax day. Since the table considers both depreciation and changes in construction costs, and since changes in construction cost have not always occurred at a constant rate, the multiplier table does not always evidence a decline in the rate by which the historical cost must be adjusted in order to determine current value. This effect is expected and can be better understood if one remembers that the multiplier table is not a depreciation table and the multipliers are applied to the historic cost of construction, not to the current replacement cost.

Communication towers are real property. When a communication tower is built on land owned by the owner of the tower, the tower is valued and assessed as a real property improvement to the land on which it is located. When a communication tower is built on leased land, the owner is required to report the original construction cost of the tower on Section N of its personal property statement, in the same way that it would report any other structure on leased land. Although the construction costs are reported on the personal

property statement, a tower on leased land is not assessed on the personal property assessment roll. Instead, the assessor is required to establish a separate real property assessment for a tower located on leased land, using the procedures set forth in State Tax Commission Bulletin 8 of 2002 and State Tax Commission Bulletin 1 of 2003.

Please note: Sometimes communication towers are located on land that is exempt because the land is owned by an exempt entity such as a municipality or is otherwise exempt. When this occurs, the tower must be assessed to the tower owner on the real property roll as a structure on leased land. IN ADDITION, the assessor must also consider whether the land should also be assessed to the tower owner as provided by MCL 211.181.

There may be situations where the value of a particular freestanding communication tower is more or less than the figure developed by using this table. This could be due to unusual depreciation (physical deterioration and/or obsolescence) or an unusual enhancement in value caused by supply and demand factors in a particular area.

*Property Statement for Communication Towers* (Form 3594) is to be used for reporting the costs of freestanding communication towers. This form was developed for the specific purpose of gathering construction cost information for communication towers. The assessor may use this form to gather detailed information regarding the construction costs of communication towers. This cost information can then be used as a basis for valuation by multiplying the historic cost by the appropriate multiplier from the table located below.

Please note the following:

- The preferred method for valuing freestanding communication towers is using original cost new multiplied by the appropriate multiplier from the following table.
- In some cases historical/original cost may be unobtainable. Those cases may require using the Assessor's Manual cost new multiplied by the Assessor's Manual depreciation table multiplier.
- Do not apply the Assessor's Manual depreciation table multipliers to the historical/original cost of a tower.
- Do not apply the communication tower multipliers from the following table to the Manual cost new of a tower.

Form 3594 is a real property statement and, as such, the taxpayer is not required to complete and submit the form to the assessor unless the taxpayer is specifically asked to do so. If a communication tower is located on leased land, the owner should already be reporting its original acquisition costs on Section N of the personal property statement (Form 632 (L-4175)). If so, the assessor would only need to send Form 3594 if more detailed information regarding costs is needed. The assessor IS NOT REQUIRED TO SEND Form 3594 to tower owners each year. The following table applies to both guyed and self-supporting communication towers.

**HISTORICAL (ORIGINAL) COST VALUATION MULTIPLIERS FOR USE IN  
2019 ASSESSMENTS OF FREESTANDING COMMUNICATIONS TOWERS**

<b>YEAR OF CONSTRUCTION</b>	<b>MULTIPLIER</b>	<b>YEAR OF CONSTRUCTION</b>	<b>MULTIPLIER</b>
2018	0.97	1998	0.89
2017	0.96	1997	0.87
2016	0.92	1996	0.88
2015	0.91	1995	0.87
2014	0.88	1994	0.87
2013	0.87	1993	0.87
2012	0.87	1992	0.86
2011	0.85	1991	0.85
2010	0.82	1990	0.81
2009	0.81	1989	0.80
2008	0.82	1988	0.84
2007	0.83	1987	0.82
2006	0.84	1986	0.80
2005	0.87	1985	0.76
2004	0.93	1984	0.79
2003	0.91	1983	0.81
2002	0.92	1982	0.85
2001	0.89	1981	0.90
2000	0.90	1980	0.99
1999	0.88	1979 and prior	1.09

#### **D. Sales Studies**

Equalization study dates are as follows for 2019 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 2018 studies for 2019 equalization the dates are as follows:

Two Year Study: April 1, 2016 through March 31, 2018

Single Year Study: October 1, 2017 through September 30, 2018

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.

Please be advised that the above sale study dates **are not** the same as the valuation date used in appeals before the Michigan Tax Tribunal. Evidence presented in a Tax Tribunal appeal should reflect the value of the property as of tax day (December 31). This means that sales

occurring *after* March 31, 2018 and September 30, 2018 should still be considered and included when submitting evidence in a Tax Tribunal appeal involving the 2019 tax year.

### **E. Property Classification**

The State Tax Commission reminds assessors that classification is to be determined annually and is based upon the 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.

### **F. Updated Assessors Manual**

The State Tax Commission at their February 14, 2017 adopted the new Assessors Manuals and approved their required use for the 2019 year. While the printed manual did not change from prior versions of the manual, the way CAMA software providers obtain the updated costs in the manual did change. This has caused some confusion regarding some items in the manual including the County Multiplier. The State Tax Commission will continue to annually receive from Marshall Swift and annually approve County Multipliers. Because of the electronic connection to the manual, those multipliers are included in the costs the CAMA providers electronically retrieve. Therefore, assessors will no longer be required to add a separate County Multiplier.

Staff continue to work with Marshall Swift and CAMA software providers on issues related to tracking of costs between the printed and electronic manual. Updates will be provided via listserv once a final solution is reached.

### **G. Updated Recommended Classification Codes**

At the February 13, 2018 State Tax Commission meeting, the Commission adopted CAMA Data Standards, which included updated property classification codes. As a result of the Commission's prior action, the State Tax Commission at their meeting on April 9, 2018 rescinded the State Tax Commission Recommended Classification Codes adopted on April 21, 2011 and approved for use by assessors revised Recommended Classification Codes. The updated State Tax Commission Recommended Classification Codes are available online at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission).

### **H. Tax Tribunal Small Claims Division Hearings**

Assessors should carefully read all notices, orders and other correspondence sent by the Tax Tribunal. Assessors should pay special attention to the Notice of Hearing and ensure they are available at the date and time of the scheduled hearing. It is important to appear at the hearing and to timely file with the Tax Tribunal and serve a copy to the taxpayer of all evidence and documentation you wish to be considered at the hearing.

Assessors representing their local unit in Tax Tribunal hearings need to submit evidence to support the value of the property under appeal. If the assessor is relying on the property record card as evidence of value, the property record card must be for the year(s) being appealed. The complete property record card, including all calculations should be provided; do not submit a property record card that states "calculations too long" and then fail to

include the additional calculations. Also, it is important to submit the studies prepared that support the economic condition factor and land value on the record card. Assessors should also be able to explain at the Tax Tribunal hearing how the value shown on the property record card was calculated. More information regarding the Michigan Tax Tribunal, including Tribunal Rules, forms and instructions is available at [www.michigan.gov/taxtrib](http://www.michigan.gov/taxtrib).

## **I. Changes to Personal Property Tax**

On May 3, 2018 Governor Snyder signed in law P.A. 132 of 2018. This act made changes to the Small Business Taxpayer Exemption (MCL 211.9o), specifically changing the filing requirements to provide that eligible taxpayers do not have to annually file to receive the exemption. Taxpayers who filed for the exemption in prior years still must file Form 5076, *Small Business Property Tax Exemption Claim Under MCL 211.9o*, in 2019 to claim the exemption. Once granted, the assessor will then continue to exempt the personal property until the taxpayer files a rescission indicating they no longer qualify for the exemption. Assessors can implement an audit program to determine if taxpayers still qualify for the exemption.

As a reminder, Public Acts 261-264 of 2017 were signed into law on December 28, 2017. These Acts made several changes that affect both the Small Business Taxpayer Exemption and the Eligible Manufacturing Personal Property Exemption (EMPP).

P.A. 261 of 2017 changes the deadline for filing the Small Business Taxpayer Exemption to February 20 and changed Form 5076 from an Affidavit to a Statement. This allows the assessor to accept either a facsimile or electronic signature on Form 5076. Form 5076 has been updated to reflect these statutory changes.

P.A. 261-264 of 2017 also changed the statute to allow assessors to accept a postmark by February 20 for Form 5278 to claim the EMPP exemption. Form 5278 and Form 632 (Personal Property Statement) have been updated to reflect these statutory changes.

Finally, P.A. 261-264 of 2017 changed the appeal procedure for both the Small Business Taxpayer Exemption and the EMPP exemption. Taxpayers who miss the filing deadline for either exemption may file a late application directly with the March Board of Review. The March Board of Review should grant the exemption as long as the taxpayer otherwise qualifies for the exemption. Both the Assessors Guide to the Small Business Taxpayer Exemption and the Assessors Guide to EMPP and ESA have been updated to reflect these statutory changes.

The updated Guide to the Small Business Taxpayer Exemption and Assessors Guide to EMPP and ESA are available online at [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions).

Further information and guidance on the Eligible Manufacturing Personal Property (EMPP) Exemption, Special Acts and the Essential Services Assessment (ESA) is available at [www.michigan.gov/ESA](http://www.michigan.gov/ESA). Additional questions should be sent via email to [ESAQuestions@michigan.gov](mailto:ESAQuestions@michigan.gov).



## **J. Principal Residence Exemption**

Public Act 133 of 2018 was signed into law on May 3, 2018. The Act amended the General Property Tax Act to remove a requirement that a property must be unoccupied in order for an individual who resides in a nursing home or assisted living facility to continue to claim a principal residence exemption (PRE) on the property. It also allows the exemption to continue for a situation in which the individual is residing in “any other location,” as long as the individual is residing there solely for purposes of convalescence. Convalescence is a state of recovering from a disease, operation, or injury. A convalescent is a person in that state. A convalescent may choose to be cared for at home or a relative’s home rather than in a nursing home or assisted living center. For example, a person who has just had a stroke and who is recovering and rehabilitating at a relative’s home is an example of a convalescent.

More information can be found on the PRE website at [www.michigan.gov/PRE](http://www.michigan.gov/PRE). Treasury staff is available to assist and answer questions regarding this Act or other PRE-related questions. The following are key contacts:

- PRE Unit Phone Number: (517) 373-1950
- PRE Program E-mail Address: [PTE-Section@michigan.gov](mailto:PTE-Section@michigan.gov)

## **K. Omitted or Incorrectly Reported Property (MCL 211.154)**

The State Tax Commission at their meeting on November 28, 2017 approved revised Omitted or Incorrectly Reported Property MCL 211.154 Forms. The prior form versions will no longer be accepted. Please be advised if the old forms are submitted, they will be returned and will need to be resubmitted.

Questions can be directed to the staff at [Treas-154petitions@michigan.gov](mailto:Treas-154petitions@michigan.gov). Additional information, including Bulletin 2 of 2018 and copies of the approved forms are available online at [www.michigan.gov/154petitions](http://www.michigan.gov/154petitions).

## **L. Residential Solar Panels**

The State Tax Commission at their meeting on February 13, 2018 rescinded their prior guidance on the treatment of solar panels on residential real properties and determined that solar panels on a parcel classified as residential real property shall be assessed as a component of the real property. Assessors are advised to review and utilize the New Assessors Manual to cost residential solar panels as a component of the residential real property improvements. This determination is limited to solar panels on real property classified under MCL 211.34c as residential real property only. The staff memorandum to the State Tax Commission is available online at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission).

## **M. Authority of July and December Boards of Review**

The State Tax Commission has become aware of a significant number of instances where Boards of Review are acting outside their statutory authorities. MCL 211.53b specifies: The board of review meeting in July and December shall meet only for the purpose described in subsection (1) (Qualified Errors) and to hear appeals provided for in sections 7u (Poverty Exemption), 7cc (Principal Residence Exemption), 7ee (Qualified Agricultural Exemption), 7jj (Qualified Forest Exemption), and 9o (Small Business Taxpayer Exemption). Assessors should carefully review the Board of Review FAQ on the Commission’s website to ensure their Boards of Review are acting within their statutory authorities.



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RICK SNYDER  
GOVERNOR

NICK A. KHOURI  
STATE TREASURER

**Bulletin 6 of 2017**  
**June 6, 2017**  
**Poverty Exemption**

**TO:** Assessors and Equalization Directors  
**FROM:** State Tax Commission  
**SUBJECT:** Exemption of Principal Residence by Reason of Poverty

**Bulletin 5 of 1995, Bulletin 7 of 2010 and Bulletin 5 of 2012 are rescinded.**

MCL 211.7u provides for a property tax exemption, in whole or part, for the principal residence of persons who, by reason of poverty, are unable to contribute to the public charges. Principal residence is defined in MCL 211.7dd as a principal residence or qualified agricultural property. MCL 211.7u(1) states that this section does not apply to property of a corporation. Even if a corporation or a limited liability company meets the definition of a principal residence or a qualified agricultural property, it is not be eligible to receive a poverty exemption.

**Local Unit Responsibilities:**

MCL 211.7u requires local units to annually adopt a policy, including an asset test, used to approve or deny poverty exemptions.

**First**, local units must annually adopt guidelines which specify the total household income which will be used to approve or deny poverty exemptions. Statute requires that the income levels shall not be set lower than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services and published by the State Tax Commission in their annual Procedural Changes Bulletin.

According to the U.S Census Bureau, "income" includes, but is not limited to:

- Money, wages, salaries before deductions, regular contributions from persons not living in the residence
- Net receipts from non-farm or farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions)
- Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, supplemental security income (SSI)
- Alimony, child support, military family allotments
- Private and governmental retirement and disability pensions, regular insurance, annuity payments

- College or university scholarships, grants, fellowships, assistantships
- Dividends, interest, and net income from rentals, royalties, estates, trusts, gambling or lottery winnings

**Second**, the local unit policy must include an asset test. The purpose of an asset test is to determine the resources available: 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 local unit should require that claimants provide a list of all assets when applying for a poverty exemption. Following is a list of assets that may be included in the annual guidelines.

- A second home, land, vehicles
- Recreational vehicles such as campers, motor-homes, boats and ATV's
- Buildings other than the residence
- Jewelry, antiques, artworks
- Equipment, other personal property of value
- Bank accounts (over a specified amount), stocks
- Money received from the sale of property, such as, stocks, bonds, a house or car (unless a person is in the specific business of selling such property)
- Withdrawals of bank deposits and borrowed money
- Gifts, loans, lump-sum inheritances and one-time insurance payments
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches

The Michigan Tax Tribunal in *Robert Taylor v Sherman Twp.*, Docket No. 236230 ruled that the asset test does not include the value of the principal residence. Additionally, the Michigan Court of Appeals in *Ferrero v Township of Walton*, No. 302221, ruled that the homestead property tax credit is not to be considered income for poverty exemption purposes.

The local unit policy may provide for an applicant to own possessions in addition to the principal residence and still receive a poverty exemption. Examples may include, but are not limited to:

- Additional vehicles
- More land than a minimum "footprint" for the home
- Equipment or other personal property of value, including recreational vehicles (campers, motor homes, boats, ATV's etc.)
- Bank account(s) (a maximum amount should be specified)

**Third**, MCL 211.7u(1) allows for partial poverty exemptions to be granted. A partial poverty exemption is an exemption of a percentage of the taxable value of the principal residence rather than the entire taxable value. The local unit can limit poverty exemptions to partial exemptions or to minimum or maximum exemption of their choosing. The State Tax Commission recommends that local governing bodies include within their annual guidelines, language and criteria for granting partial exemptions and/or minimum or maximum exemptions.

**Finally**, the State Tax Commission recommends that local units develop an application to be used by claimants and a written policy that details the process. To assist local governing bodies, the State Tax Commission has developed a sample application and resolution. See attached.

### **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.

### **Board of Review Responsibilities:**

MCL 211.7u(1) indicates: The principal residence of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under this act.

The State Tax Commission has determined that the supervisor shall make a recommendation regarding the claimant's petition and the Board of Review shall consider, review and then approve or deny the exemption request.

Additionally, MCL 211.7u(5) states, in part: The Board of Review shall follow the policy and guidelines of the local assessing unit in granting or denying an exemption under this section.

When reviewing an application, the Board of Review should consider all information available to them at that time. They should consider all documentation originally submitted by the taxpayer and any additional relevant information that is available to the Board of Review.

The Board of Review can deviate from the adopted policy and guidelines of the local unit only when there are "substantial and compelling reasons why there should be a deviation from the policy and guidelines." If the Board of Review deviates from the adopted policy and guidelines, they are required by statute to communicate the substantial and compelling reasons for the deviation from the guidelines in writing to the taxpayer.

### **Appeal Rights:**

A property owner or assessor may appeal a decision of the March Board of Review by completing and submitting a petition to the Michigan Tax Tribunal no later than July 31 of the same year. A property owner or assessor may appeal a decision of the July or December Board of Review by completing and submitting a petition to the Michigan Tax Tribunal within 35 days of the July or December Board of Review's denial of the poverty exemption.

An application for poverty exemption, for a specific principal residence, may only be acted upon by the Board of Review once a year. If an application is denied at the March Board of Review, it may not be reheard by the July or December Board of Review during the same calendar year. The taxpayer must file an appeal of the March Board of Review determination to the Michigan Tax Tribunal. Similarly, if an application is denied at the July Board of Review, the December Board cannot rehear that application, the taxpayer must file an appeal to the Michigan Tax Tribunal.

A person who files a claim for poverty exemption is not prohibited from also appealing the assessment on the same property in the same year.

**SAMPLE GUIDELINE RESOLUTION FOR POVERTY EXEMPTION**

**WHEREAS**, the adoption of guidelines for poverty exemptions is required of the City Council (Township Board); and

**WHEREAS**, the principal residence of persons, who the Supervisor/Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

**WHEREAS**, pursuant to PA 390 of 1994, the City/Township of \_\_\_\_\_, \_\_\_\_\_ County adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) File a claim with the supervisor/assessor or Board of Review, accompanied by 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 or a signed State Tax Commission Form 4988, *Poverty Exemption Affidavit*.
- 3) File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following are the (insert year) federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

**Federal Poverty Guidelines Used in the Determination of Poverty Exemptions**

Size of Family Unit	2017 Poverty Guidelines
1	\$ 11,880
2	\$ 16,020
3	\$ 20,160
4	\$ 24,300
5	\$ 28,440
6	\$ 32,580
7	\$ 36,730
8	\$ 40,890
For each additional person	\$ 4,160

***NOW, THEREFORE, BE IT HEREBY RESOLVED*** that the supervisor/assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

The foregoing resolution offered by City Council Member/Township Board Member \_\_\_\_\_ and supported by City Council Member/Township Board Member \_\_\_\_\_.

Upon roll call vote, the following voted:

“Aye”: \_\_\_\_\_

“Nay”: \_\_\_\_\_

The City/Township Clerk declared the resolution \_\_\_\_\_.

\_\_\_\_\_  
XXX, Clerk

\_\_\_\_\_  
Date

**SAMPLE 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 current employment information.

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

List all income sources, including but not 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)

**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.

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 Owed

**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.

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

**MONTHLY EXPENSE INFORMATION:** 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 (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:** Do not sign this application until witnessed by the Supervisor, Assessor, Board of Review or Notary Public. (Must be signed by either the Supervisor, Assessor, Board of Review Member or Notary Public)

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

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

Subscribed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Assessor Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

BOR Member Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Notary Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

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

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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  
Name of Local Unit  
Street Address  
City, State, ZIP

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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)

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## Annual Update of the HHS Poverty Guidelines

A Notice by the Health and Human Services Department on 02/01/2019

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### DOCUMENT DETAILS

**Printed version:**

PDF (<https://www.govinfo.gov/content/pkg/FR-2019-02-01/pdf/2019-00621.pdf>)

**Publication Date:**

02/01/2019 (/documents/2019/02/01)

**Agencies:**

Department of Health and Human Services (<https://www.federalregister.gov/agencies/health-and-human-services-department>)  
Office of the Secretary

**Dates:**

Applicable Date: January 11, 2019 unless an office administering a program using the guidelines specifies a different effective date for that particular program.

**Document Type:**

Notice

**Document Citation:**

84 FR 1167

**Page:**

1167-1168 (2 pages)

**Document Number:**

2019-00621

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### DOCUMENT STATISTICS

**Page views:**

142,191  
as of 10/15/2019 at 12:15 pm EDT

**AGENCY:**

Department of Health and Human Services.

**ACTION:**

Notice.

**SUMMARY:**

This notice provides an update of the Department of Health and Human Services (HHS) poverty guidelines to account for last calendar year's increase in prices as measured by the Consumer Price Index.

**DATES:**

*Applicable Date:* January 11, 2019 unless an office administering a program using the guidelines specifies a different effective date for that particular program.

**ADDRESSES:**

Office of the Assistant Secretary for Planning and Evaluation, Room 404E, Humphrey Building, Department of Health and Human Services, Washington, DC 20201.

**FOR FURTHER INFORMATION CONTACT:**

For information about how the guidelines are used or how income is defined in a particular program, contact the Federal, state, or local office that is responsible for that program. For information about poverty figures for immigration forms, the Hill-Burton Uncompensated Services Program, and the number of people in poverty, use the specific telephone numbers and addresses given below.

For general questions about the poverty guidelines themselves, contact Kendall Swenson, Office of the Assistant Secretary for Planning and Evaluation, Room 422F.5, Humphrey Building, Department of Health and Human Services, Washington, DC 20201—telephone: (202) 690-7409—or visit <http://aspe.hhs.gov/poverty/> (<http://aspe.hhs.gov/poverty/>).

For information about the percentage multiple of the poverty guidelines to be used on immigration forms such as USCIS Form I-864, Affidavit of Support, contact U.S. Citizenship and Immigration Services at 1-800-375-5283.

For information about the Hill-Burton Uncompensated Services Program (free or reduced-fee health care services at certain hospitals and other facilities for persons meeting eligibility criteria involving the poverty guidelines), contact the Health Resources and Services Administration Information Center at 1-800-638-0742. You also may visit <https://www.hrsa.gov/get-health-care/affordable/hill-burton/index.html/> (<https://www.hrsa.gov/get-health-care/affordable/hill-burton/index.html/>).

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Page 1168

For information about the number of people in poverty, visit the Poverty section of the Census Bureau's website at <https://www.census.gov/topics/income-poverty/poverty.html> (<https://www.census.gov/topics/income-poverty/poverty.html>) or contact the Census Bureau's Customer Service Center at 1-800-923-8282 (toll-free) or visit <https://ask.census.gov> (<https://ask.census.gov>) for further information.

## SUPPLEMENTARY INFORMATION:

### Background

Section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 (42 U.S.C. 9902 ([\(https://www.govinfo.gov/link/uscode/42/9902?type=usc&year=mostrecent&link-type=html\)](https://www.govinfo.gov/link/uscode/42/9902?type=usc&year=mostrecent&link-type=html))(2)) requires the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them on the basis of the Consumer Price Index for All Urban Consumers (CPI-U). The poverty guidelines are used as an eligibility criterion by Medicaid and a number of other Federal programs. The *poverty guidelines* issued here are a simplified version of the *poverty thresholds* that the Census Bureau uses to prepare its estimates of the number of individuals and families in poverty.

As required by law, this update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). The guidelines in this 2019 notice reflect the 2.4 percent price increase between calendar years 2017 and 2018. After this inflation adjustment, the guidelines are rounded and adjusted to standardize the differences between family sizes. In rare circumstances, the rounding and standardizing adjustments in the formula result in small decreases in the poverty guidelines for some household sizes even when the inflation factor is not negative. In cases where the year-to-year change in inflation is not negative and the rounding and standardizing adjustments in the formula result in reductions to the guidelines from the previous year for some household sizes, the guidelines for the affected household sizes are fixed at the prior year's guidelines. As in prior years, these 2019 guidelines are roughly equal to the poverty thresholds for calendar year 2018 which the Census Bureau expects to publish in final form in September 2019.

The poverty guidelines continue to be derived from the Census Bureau's current official poverty thresholds; they are not derived from the Census Bureau's Supplemental Poverty Measure (SPM).

The following guideline figures represent annual income.

2019 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

Persons in family/household	Poverty guideline
1	\$12,490
2	16,910
3	21,330
4	25,750
5	30,170
6	34,590
7	39,010
8	43,430

For families/households with more than 8 persons, add \$4,420 for each additional person.

2019 Poverty Guidelines for Alaska

Persons in family/household	Poverty guideline
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Persons in family/household	Poverty guideline
1	\$15,600
2	21,130
3	26,660
4	32,190
5	37,720
6	43,250
7	48,780
8	54,310

For families/households with more than 8 persons, add \$5,530 for each additional person.

#### 2019 Poverty Guidelines for Hawaii

Persons in family/household	Poverty guideline
1	\$14,380
2	19,460
3	24,540
4	29,620
5	34,700
6	39,780
7	44,860
8	49,940

For families/households with more than 8 persons, add \$5,080 for each additional person.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office that administers the program is generally responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.

Due to confusing legislative language dating back to 1972, the poverty guidelines sometimes have been mistakenly referred to as the “OMB” (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services. The poverty guidelines may be formally referenced as “the poverty guidelines updated periodically in the **Federal Register** by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902 ([\(https://www.govinfo.gov/link/uscode/42/9902?type=usc&year=mostrecent&link-type=html\)](https://www.govinfo.gov/link/uscode/42/9902?type=usc&year=mostrecent&link-type=html))(2).”

Some federal programs use a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines), as noted in relevant authorizing legislation or program regulations. Non-Federal organizations that use the poverty guidelines under their own authority in non-Federally-funded activities also may choose to use a percentage multiple of the guidelines.

The poverty guidelines do not make a distinction between farm and non-farm families, or between aged and non-aged units. (Only the Census Bureau poverty thresholds have separate figures for aged and non-aged one-person and two-person units.)

Note that this notice does not provide definitions of such terms as “income” or “family,” because there is considerable variation in defining these terms among the different programs that use the guidelines. These variations are traceable to the different laws and regulations that govern the various programs. This means that questions such as “Is income counted before or after taxes?”, “Should a particular type of income be counted?”, and “Should a particular person be counted as a member of the family/household?” are actually questions about how a specific program applies the poverty guidelines. All such questions about how a specific program applies the guidelines should be directed to the entity that administers or funds the program, since that entity has the responsibility for defining such terms as “income” or “family,” to the extent that these terms are not already defined for the program in legislation or regulations.

Alex M. Azar,

Secretary of Health and Human Services.

[FR Doc. 2019-00621 (/a/2019-00621) Filed 1-31-19; 8:45 am]

BILLING CODE 4150-05-P

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PUBLISHED DOCUMENT



**THE GENERAL PROPERTY TAX ACT (EXCERPT)**  
**Act 206 of 1893**

**211.7u Principal residence of persons in poverty; exemption from taxation; applicability of section to property of corporation; eligibility for exemption; application; policy and guidelines to be used by local assessing unit; duties of board of review; appeal of property assessment; "principal residence" defined.**

Sec. 7u. (1) 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. This section does not apply to the property of a corporation.

(2) To be eligible for exemption under this section, a person shall do all of the following on an annual basis:

(a) Be an owner of and occupy as a principal residence the property for which an exemption is requested.

(b) File a claim with the supervisor or board of review on a form provided by the local assessing unit, accompanied by 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. 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. If a 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, an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return. The filing of a claim under this subsection constitutes an appearance before the board of review for the purpose of preserving the claimant's right to appeal the decision of the board of review regarding the claim.

(c) Produce a valid driver's license or other form of identification if requested by the supervisor or board of review.

(d) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the supervisor or board of review.

(e) Meet the federal poverty guidelines updated annually in the federal register by the United States department of health and human services under authority of section 673 of subtitle B of title VI of the omnibus budget reconciliation act of 1981, Public Law 97-35, 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit provided the alternative guidelines do not provide income eligibility requirements less than the federal guidelines.

(3) The application for an exemption under this section shall be filed after January 1 but before the day prior to the last day of the board of review.

(4) The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines the local assessing unit uses for the granting of exemptions under this section. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and total household income and assets.

(5) The board of review shall follow the policy and guidelines of the local assessing unit in granting or denying an exemption under this section unless the board of review determines there are substantial and compelling reasons why there should be a deviation from the policy and guidelines and the substantial and compelling reasons are communicated in writing to the claimant.

(6) A person who files a claim under this section is not prohibited from also appealing the assessment on the property for which that claim is made before the board of review in the same year.

(7) As used in this section, "principal residence" means principal residence or qualified agricultural property as those terms are defined in section 7dd.

**History:** Add. 1980, Act 142, Imd. Eff. June 2, 1980;—Am. 1993, Act 313, Eff. Mar. 15, 1994;—Am. 1994, Act 390, Imd. Eff. Dec. 29, 1994;—Am. 2002, Act 620, Imd. Eff. Dec. 23, 2002;—Am. 2003, Act 140, Eff. Jan. 1, 2004;—Am. 2012, Act 135, Imd. Eff. May 16, 2012.

**Popular name:** Act 206

Poverty Exemptions Yearly Comparison (Autosaved)

10/15/2019, 3:39 PM

A	B	C	D	E	F	G	H	I	J	K
CALENDAR YEAR	Full Exemption	50% Partial Exemption	Denial	No Consideration	Total Applications Processed		Petitions Mailed	Taxable Value Exempted	City Debt Reduction	General Fund Reduction
2 March, July, Dec 2005	2,228	n/a	202		2,430			\$ (38,673,654)	\$ (324,669)	\$ (771,617)
3 March, July, Dec 2006	3,204	139	825		4,168			\$ (56,655,433)	\$ (400,854)	\$ (1,130,389)
4 March, July, Dec 2007	3,483	264	1,082		4,829			\$ (59,357,987)	\$ (771,654)	\$ (1,184,311)
5 March, July, Dec 2008	3,483	331	1,966		5,780			\$ (67,888,032)	\$ (507,660)	\$ (1,354,501)
6 March, July, Dec 2009	4,528	219	886		5,633			\$ (90,299,275)	\$ (675,195)	\$ (1,801,651)
7 March, July, Dec 2010	4,388	295	1,112		5,795			\$ (82,347,483)	\$ (734,186)	\$ (1,642,997)
8 March, July, Dec 2011	3,652	265	974		4,891			\$ (66,027,877)	\$ (630,949)	\$ (1,317,388)
9 March, July, Dec 2012	3,617	196	723		4,536			\$ (64,957,180)	\$ (620,718)	\$ (1,296,026)
10 March, July, Dec 2013	3,712	148	453		4,313			\$ (42,603,701)	\$ (383,228)	\$ (850,029)
11 March, July, Dec 2014	3,678	127	409		4,214			\$ (55,064,357)	\$ (495,315)	\$ (1,098,644)
12 March, July, Dec 2015	3,840	138	186		4,164			\$ (57,398,295)	\$ (516,310)	\$ (1,145,211)
13 March, July, Dec 2016	4,459	74	112		4,645			\$ (59,020,957)	\$ (530,905)	\$ (1,177,586)
14 March, July, Dec 2017	5,206	68	410		5,684			\$ (52,474,373)	\$ (472,018)	\$ (1,046,969)
15 March, July, Dec 2018	5,722	114	426	143	6,405			\$ (58,339,092)	\$ (524,772)	\$ (1,163,982)
16										
17										

2020 HPTAP  
 PROPOSED INCOME LEVELS  
 AND ASSET TEST

HOUSEHOLD	2019 FEDERAL	FULL %age	FULL CALC.	2020 FULL	50% Exemption	PARTIAL CALC.	2020 50%	25% Exemption	25% CALC.	2020 25%
1	\$12,490.00	138%	\$17,236.20	\$17,236.00	159%	\$19,859.10	\$19,859.00	179%	\$22,357.10	\$22,357.00
2	\$16,910.00	123%	\$20,799.30	\$20,799.00	138%	\$23,335.80	\$23,336.00	152%	\$25,703.20	\$25,703.00
3	\$21,330.00	108%	\$23,036.40	\$23,036.00	120%	\$25,596.00	\$25,596.00	131%	\$27,942.30	\$27,942.00
4	\$25,750.00	104%	\$26,780.00	\$26,780.00	114%	\$29,355.00	\$29,355.00	124%	\$31,930.00	\$31,930.00
5	\$30,170.00	100%	\$30,170.00	\$30,170.00	109%	\$32,885.30	\$32,885.00	117%	\$35,298.90	\$35,299.00
6	\$34,590.00	100%	\$34,590.00	\$34,590.00	108%	\$37,357.20	\$37,357.00	115%	\$39,778.50	\$39,779.00
7	\$39,010.00	100%	\$39,010.00	\$39,010.00	107%	\$41,740.70	\$41,741.00	113%	\$44,081.30	\$44,081.00
8	\$43,430.00	100%	\$43,430.00	\$43,430.00	106%	\$46,035.80	\$46,036.00	112%	\$48,641.60	\$48,642.00

An additional \$4,420 for each person over 8 for a Full Exemption

An additional \$4,685 for each person over 8 for a 50% Exemption

An additional \$4,950 for each person over 8 for a 25% Exemption

Asset limit will be \$12,000.00



Property Assessment  
**Board of Review**

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 824  
Detroit, Michigan 48226

Phone: 313-628-0722  
Fax: 313-224-4576  
www.detroitmi.gov

**DEVIATION FORM**

WARD/ITEM NO: \_\_\_\_\_ DATE: \_\_\_\_\_

NAME: \_\_\_\_\_

STREET: \_\_\_\_\_

CITY/STATE/ZIP: \_\_\_\_\_

The Board of Review has reviewed your property tax poverty exemption application. Based on all the information you submitted, the household composition, State Law and the guidelines of the Board, your application has been \_\_\_\_\_.

The Board of Review based their decision on the following substantial and compelling reasons:

- \_\_\_\_\_ A serious change in your income and financial situation.
- \_\_\_\_\_ A review of your outstanding debts to private corporations indicated an indifference to your tax obligation.
- \_\_\_\_\_ Your stated income is less than your stated expenses and information is lacking for this Board to grant exemption.
- \_\_\_\_\_ Other: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

You have the right to appeal the decision of the Board of Review by writing to the MICHIGAN TAX TRIBUNAL, P.O. Box 30232, LANSING, MICHIGAN 48909 and request a hearing. The final date for filing is JULY 31<sup>st</sup> for March Board of Review decisions and 35 days after the statutory meeting date for July and December Board of Review meetings.



Property Assessment  
**Board of Review**

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 824  
Detroit, Michigan 48226

Phone: 313-628-0722  
Fax: 313-224-4576  
www.detroitmi.gov

DATE: \_\_\_\_\_  
TO: Parcel: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**REGARDING: Homeowners Property Tax Assistance Program Determination**

The Board of Review has considered your petition and application for exemption of taxation by reason of poverty in accordance with MCL 211.7u. Based upon the information that you provided the Board of Review has **DENIED** your appeal for property tax exemption.

The Board of Review determination was based upon the following:

- \_\_\_\_\_ Household income exceeded poverty guideline(s) limit
- \_\_\_\_\_ Property Not Occupied By Owner
- \_\_\_\_\_ Asset(s) exceed poverty guideline(s) limit
- \_\_\_\_\_ Proper proof of ownership of the subject property was not provided
- \_\_\_\_\_ The following requested information was not provided:

\_\_\_\_\_ Documentation provided does not support claim, as follows: \_\_\_\_\_

If you have any questions about why your application was denied, you can call 313-628-0722.

As the Board of Review no longer has jurisdiction over your application, you may appeal this decision to the Michigan Tax Tribunal within 35 days of the Board of Review meeting date. To appeal, fill out a Petition for Valuation Appeal or Poverty available on the Michigan Tax Tribunal's website at <https://www.michigan.gov/taxtrib/> and mail it to the following address:

Michigan Tax Tribunal  
P.O. Box 30232  
Lansing, Michigan 48909  
Phone: 517-373-4400/Fax: 517-373-4493

Sincerely,

Willie C. Donwell, Chair/Administrator  
Detroit Board of Review



Property Assessment  
**Board of Review**

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 824  
Detroit, Michigan 48226

Phone: 313-628-0722  
Fax: 313-224-4576  
www.detroitmi.gov

DATE: \_\_\_\_\_  
TO: Parcel: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

REGARDING: [YEAR] Homeowners Property Tax Assistance Program

The Board of Review was **UNABLE TO CONSIDER** your [YEAR] petition and application for exemption of taxation by reason of poverty in accordance with MCL 211.7u.

The Board of Review was unable to consider your application because:

- \_\_\_\_\_ Property was not owned by the petitioner
- \_\_\_\_\_ Petitioner did not file a Property Transfer Affidavit with the Office of the Assessor
- \_\_\_\_\_ Property did not have a Principal Residence Exemption (PRE) on file with the Office of the Assessor
- \_\_\_\_\_ Other: \_\_\_\_\_

If you are receiving this letter prior to [DATE] there is still time for you to resolve the above issue(s) and for the Board of Review to consider your application. It is imperative that you contact the Board of Review at [insert BOR number] as soon as possible.

If you have received this letter after [DATE] your application has not been considered and your case is closed. If your case is closed, you may appeal this decision to the Michigan Tax Tribunal within 35 days of [DATE] to the following:

Michigan Tax Tribunal  
P.O. Box 30232  
Lansing, Michigan 48909  
Phone: 517-373-4400/ Fax: 517-373-4493

This notice is regarding your [YEAR] application only. You may apply in [next year] once the issue(s) above are resolved. Contact the Board of Review if you have any further questions.

Sincerely,  
Willie C. Donwell, Chair/Administrator  
Detroit Board of Review, [insert BOR number and suite #]



**MEMORANDUM**

**TO: David Massaron, CFO  
Arthur Jemison, Director, P&DD**  
**FROM: Hon. Scott Benson, City Council District 3**

**CC:** Hon. Janee Ayers, Chair, BF&A Standing Committee  
Hon. Janice Winfrey, City Clerk  
David Whitaker, Director, LPD  
Irv Corely, LPD  
John Naglick, OCFO  
Stephanie Washington, City Council Liaison

**VIA:** Hon. Brenda Jones, City Council President

**DATE:** 16 Oct 2019

**RE: DEMOLITION BOND QUESTIONS**

I am requesting responses to my questions regarding the proposed demolition bond initiative. After reviewing the LPD report I want to ensure I have an understanding of the issues as identified. Please review and respond to the list of questions and requests below.

1. Please solidify the bond number at \$225m or \$250m. The mixing of numbers is confusing to the public and leads to distrust.
2. Please prepare a diagram that illustrates the stress test results on the final bond offering scenario selected by the administration.
3. Please respond to the recommendation that all demolition activities be located and managed by one office for efficiency purposes. Does the administration plan to implement this recommendation?
4. Please detail how the administration plans to comply with all IRS regulations around the tax exempt status of the bonds. I.e. Who will be responsible for the compliance, where will the records be held, how will this compliance process be carried out over the 30 years of the bonds, which departments will be involved in compliance, etc?
5. The LPD report indicates every parcel which receives an investment of blight bonds will have to be tracked for compliance purposes. Is this an accurate portrayal of the level of monitoring required for these bonds to comply with IRS tax exempt regulations?
6. Please describe a worst case scenario, where the City cannot maintain compliance with the blight bonds and the IRS removes the tax exempt status. How would this situation impact the:
  - a. Detroit taxpayers
  - b. City of Detroit
  - c. Purchasers of the bonds
7. After 2025 the administration indicates the City should experience the need for 100-200 demolitions per year. Justify this estimate?
8. The LPD report provides a narrative of how the City's debt policy is impacted by the bond proposal and debt affordability. A series of metrics/ratios is indicated as the measurements to verify if the bonds comply with our debt policy. Please prepare info graphics to illustrate visually how these metrics/ratios are calculated, so the layperson can understand how they work. Ex. 1.85X is indicated as a reasonable ratio on page 14 of the LPD report.

Please provide your responses by 23 Oct 2019. If you have any questions do not hesitate to contact my office at, 313-224-1198




# City of Detroit

**GABE LELAND**  
COUNCIL MEMBER

## MEMORANDUM

**TO:** Arthur Jemison

**THRU:** Budget, Finance, and Audit Committee  
Councilwoman Janee Ayers, Chairperson  
Councilman Andre Spivey, Vice Chairperson

**FROM:** Gabe Leland   
Councilman District 7

**DATE:** October 18, 2019

**RE:** Demolition Bond Criteria

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Based on the presentation given by HRD, we would like to submit the following requests:

- A list of demotions set for the remainder of the year broken down by district
- Criteria and outlines for both the rehabilitation of homes and senior repairs
- The number of owner occupied homes in District 7 that went to nuisance abatement
- The mowing schedule after demolitions.

Thank you in advance for this request.

Cc: Honorable Colleagues  
Stephanie Washington/ Gail Fulton, Mayor's Liasons  
Janice Winfrey, City Clerk

CITY CLERK 2019 OCT 18 PM 4:01:13