



## CITY OF ANN ARBOR, MICHIGAN

301 E. Huron St, P.O. Box 8647, Ann Arbor, Michigan 48107

Office (734) 794-6530 Fax Number: (734) 997-1437

<http://www.assessor@a2gov.org>

### 2023 Poverty Application

Enclosed is the City of Ann Arbor Guidelines for Poverty Exemptions, Instructions and an “Application for One Year Poverty Exemption” for your completion and execution.

**PLEASE READ THE INSTRUCTIONS CAREFULLY.** Even if you were granted a poverty exemption in the past, you are required to answer every question and submit copies of all documentation requested with the application. Use extra sheets for explanation when necessary. If your application is incomplete, not executed, and you do not include the required documents; this may affect the determination by the Board of Review.

Please return your application and the required documents to the Assessor’s Office by the due date given at the bottom of the instruction sheet. Making a personal appearance before the Board of Review is not necessary to have your application considered; however, the Board of Review may, on short notice, request any applicant to appear.

**Seniors in need of assistance in preparing and filing a poverty application and other required tax forms should contact the Housing Bureau for Seniors at (734) 998-9339;** they will direct you to the appropriate volunteers for assistance. Additionally, the Housing Bureau may be able to provide financial help if you are facing the loss of your home due to tax sale or mortgage foreclosure.

Sincerely,

The Ann Arbor City Assessor’s Office  
(734) 794-6530



## Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

**To be considered complete, this application must:** 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

| <b>PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.</b>   |                  |   |   |                      |
|---|------------------|---|---|----------------------|
| Petitioner's Name   |                  |   | Daytime Phone Number                        |                      |
| Age of Petitioner   | Marital Status   | Age of Spouse                           | Number of Legal Dependents                  |                      |
| Property Address of Principal Residence   |                  | City                                    | State                                       | ZIP Code             |
| <input type="checkbox"/> Check if applied for Homestead Property Tax Credit   |                  | Amount of Homestead Property Tax Credit |   |                      |
| <b>PART 2: REAL ESTATE INFORMATION</b>  |                  |   |   |                      |
| List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting. |                  |   |   |                      |
| Property Parcel Code Number   |                  | Name of Mortgage Company                |   |                      |
| Unpaid Balance Owed on Principal Residence  | Monthly Payment  | Length of Time at this Residence        |   |                      |
| Property Description  |                  |   |   |                      |
| <b>PART 3: ADDITIONAL PROPERTY INFORMATION</b>  |                  |   |   |                      |
| List information related to any other property owned by you or any member residing in the household.  |                  |   |   |                      |
| <input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.   |                  |   | Amount of Income Earned from other Property |                      |
| 1   | Property Address | City                                    | State                                       | ZIP Code             |
|   | Name of Owner(s) | Assessed Value                          | Date of Last Taxes Paid                     | Amount of Taxes Paid |
| 2   | Property Address | City                                    | State                                       | ZIP Code             |
|   | Name of Owner(s) | Assessed Value                          | Date of Last Taxes Paid                     | Amount of Taxes Paid |

**PART 4: EMPLOYMENT INFORMATION** — List your current employment information.

|                     |                           |       |          |
|---------------------|---------------------------|-------|----------|
| Name of Employer    |                           |       |          |
| Address of Employer | City                      | State | ZIP Code |
| Contact Person      | Employer Telephone Number |       |          |

**PART 5: INCOME SOURCES**

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

| Source of Income | Monthly or Annual Income<br>(indicate which) |
|------------------|--|
|                  |  |
|                  |  |
|                  |  |

**PART 6: 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<br>or Investments | Amount<br>on Deposit | Current<br>Interest Rate | Name on Account | Value of<br>Investment |
|---|----------------------|--------------------------|-----------------|------------------------|
|   |                      |                          |                 |                        |
|   |                      |                          |                 |                        |
|   |                      |                          |                 |                        |

**PART 7: LIFE INSURANCE** — List all policies held by all household members.

| Name of Insured | Amount of<br>Policy | Monthly<br>Payments | Policy Paid in<br>Full | Name of Beneficiary | Relationship to<br>Insured |
|-----------------|---------------------|---------------------|------------------------|---------------------|----------------------------|
|                 |                     |                     |                        |                     |                            |
|                 |                     |                     |                        |                     |                            |
|                 |                     |                     |                        |                     |                            |

**PART 8: 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 |
|------|------|-----------------|--------------|
|      |      |                 |              |
|      |      |                 |              |

**PART 9: HOUSEHOLD OCCUPANTS** — List all persons living in the household.

| First and Last Name | Age | Relationship to Applicant | Place of Employment | \$ Contribution to Family Income |
|---------------------|-----|---------------------------|---------------------|----------------------------------|
|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |
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|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |
|                     |     |                           |                     |                                  |

**PART 10: PERSONAL DEBT** — List all personal debt for all household members.

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

**PART 11: 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 (type and amount) | Other (type and amount) | Other (type and amount)         |                  |
| Other (type and amount) | Other (type and amount) | Other (type and amount)         |                  |

**NOTICE:** Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

**PART 11: POLICY AND GUIDELINES ACKNOWLEDGMENT**

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

**PART 12: CERTIFICATION**

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.

|              |           |      |
|--------------|-----------|------|
| Printed Name | Signature | Date |
|--------------|-----------|------|

**This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.**

**Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.**

Michigan Tax Tribunal  
PO Box 30232  
Lansing MI 48909

Phone: 517-335-9760  
E-mail: [taxtrib@michigan.gov](mailto:taxtrib@michigan.gov)

INSTRUCTIONS FOR POVERTY EXEMPTION  
City of Ann Arbor

The Application for One Year Poverty Exemption is in keeping with the requirements of state law. **Please read these instructions carefully.** To be considered for a poverty exemption, the following information must be provided:

1. **COMPLETE ALL SECTIONS OF THIS APPLICATION AND SIGN THE APPLICATION.**
2. Submit **completed and signed copy** of the following for each owner:
  - Copy of prior year **Michigan Homestead Property Tax Credit Claim (MI 1040 CR)**.
  - Copy of prior year **Federal Income Tax Return (1040)**, if you are required to file federal income tax, include all schedules and attachments.
  - Copy of prior year **Federal Income Tax Return (1040)** for all other occupants residing in your home.
3. If applicant or any person residing in the residence was not required to file a federal or state income tax return for the current or preceding tax year, a Michigan Department of Treasury **Poverty Exemption Affidavit** must accompany the Application for Poverty Exemption for all persons residing in the residence. Copies of the Poverty Exemption Affidavit are available at the City of Ann Arbor Assessor's office or online from the Department of Treasury's website. [https://www.michigan.gov/documents/treasury/4988\\_388856\\_7.pdf](https://www.michigan.gov/documents/treasury/4988_388856_7.pdf)
4. If a family member or other persons living in your home has income from another source that is not reported, it must also be included in Total Household Income for the prior year.
5. The application must be legible. If you need to provide additional information, please attach a separate sheet; do not write in the margins of the application.
6. Do not submit originals of supporting documentation as we must keep these for our records and cannot be returned.
7. **If the application is incomplete or you do not include copies of the required financial documents, this lack of information may affect the determination of your claim for a poverty exemption by the Board of Review.**
8. **PLEASE RETURN THE ORIGINAL APPLICATION FULLY EXECUTED AND REQUIRED DOCUMENTATION AFTER JANUARY 1<sup>ST</sup> OF EACH YEAR AND NO LATER THAN ONE DAY PRECEDING THE CONVENING OF THE BOARD OF REVIEW.**
9. **PLEASE RETURN THE APPLICATION TO THE ASSESSOR'S OFFICE BY MARCH 17, 2023, TO ALLOW TIME FOR REVIEW BEFORE THE MARCH BOARD OF REVIEW, WHICH IS SCHEDULED TO CONVENE MARCH 20, 2023, THROUGH MARCH 23, 2023.**
10. **ALTERNATIVELY, PLEASE FILE THE APPLICATION PRIOR TO JULY 18, 2023, OR PRIOR TO DECEMBER 12, 2023 FOR CONSIDERATION BY THE JULY OR DECEMBER BOARD OF REVIEW.**

**Please contact the Assessor's Office with any questions or concerns at (734) 794-6530.**





## **CITY OF ANN ARBOR BOARD OF REVIEW**

### **GUIDELINES FOR POVERTY EXEMPTIONS**

#### **TAX YEAR 2023**

The Board of Review may grant property tax exemptions (in whole and in part) to the principal residence of persons who, in the judgement of the supervisor and the Board of Review, are by reason of poverty unable to contribute toward the public charges. MCL 211.7u(1). Such exemptions are referred to herein as “poverty exemptions.” Corporations are ineligible for poverty exemptions. The Board shall not grant a poverty exemption to any individual who the Board finds has the ability to contribute towards public charges.

#### **GUIDELINES**

1. In granting poverty exemptions, the Board of Review realizes this represents a shift of that portion of the tax burden to the other taxpayers of the community and state.
2. Poverty exemption are only available to persons who own and occupy the subject property as their “principal residence,” as that term is defined in MCL 211.7dd.
3. To be considered for a poverty exemption, the applicant must submit the requirements of MCL 211.7u(2) on an annual basis and fully complete, execute and deliver an application for such exemption to the assessor after each January 1st (for the applicable year) but before the day prior to the last day of the Board of Review (for the applicable year).
4. The Board of Review may request an applicant to personally appear before the Board to respond to any questions the Board or Assessor may have.
5. Poverty exemptions must be applied for each year. If an exemption is granted, it is for one year only.
6. The total income of the applicant and each member of the applicant's household shall not exceed the Federal Poverty Income Standards, as defined and determined annually by the U.S. Department of Health and Human Services, times a factor of 2.20 (“household income test”). The federal poverty income levels are published annually by the State Tax Commission. The 2023 income level established by city council for a family of one shall not exceed \$29,898. The 2023 income level for a family of four shall not exceed \$61,050.
7. The guideline for the maximum assets the taxpayer may have is \$50,000. Assets are defined as resources other than the homestead and the standard mode of transportation.
8. The Board of Review shall follow these guidelines as approved by Ann Arbor City Council as set forth herein for granting or denying a poverty exemption.

9. If a person claiming a poverty exemption is qualified under the eligibility requirements, the Board of Review shall have the authority to grant the exemption in whole or in part depending on each application submitted as follows:

- a. 25% reduction in taxable value for the tax year the exemption is granted
  - b. 50% reduction in taxable value for the tax year the exemption is granted
  - c. 100% reduction in taxable value for the tax year the exemption is granted
- The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of poverty exemptions
  - The board of review has the statutory authority to reduce current year taxable 100% or 50% or 25%
  - The assessing unit adopts the following reduction guidelines in taxable value related to poverty
  - Taxable value shall be reduced by 25% if the income is equal to or greater than 75% of the poverty level set by the governing body
  - Taxable value shall be reduced by 50% if the income is greater than 125% of the federal poverty level and less than 75% of the poverty level set by the governing body
  - Taxable value shall be reduced by 100% if the income is equal to or less than 125% of the federal poverty level

| HOUSEHOLD SIZE    | FEDERAL POVERTY GUIDELINES | ANN ARBOR POVERTY LEVEL | 25% TAXABLE VALUE EXEMPTION | 50% TAXABLE VALUE EXEMPTION | 100% TAXABLE VALUE EXEMPTION |
|-------------------|----------------------------|-------------------------|-----------------------------|-----------------------------|------------------------------|
| 1                 | \$13,590                   | \$29,898                | \$22,424 to \$29,898        | \$16,989 to \$22,423        | \$0 to \$16,988              |
| 2                 | \$18,310                   | \$40,282                | \$30,212 to \$40,282        | \$22,889 to \$30,211        | \$0 to \$22,888              |
| 3                 | \$23,030                   | \$50,666                | \$38,000 to \$50,666        | \$28,789 to \$37,999        | \$0 to \$28,788              |
| 4                 | \$27,750                   | \$61,050                | \$45,788 to \$61,050        | \$34,689 to \$45,787        | \$0 to \$34,688              |
| 5                 | \$32,470                   | \$71,434                | \$53,576 to \$71,343        | \$40,589 to \$53,575        | \$0 to \$40,588              |
| 6                 | \$37,190                   | \$81,818                | \$61,364 to \$81,818        | \$46,489 to \$61,363        | \$0 to \$46,488              |
| 7                 | \$41,910                   | \$92,202                | \$69,152 to \$92,202        | \$52,389 to \$69,151        | \$0 to \$52,388              |
| 8                 | \$46,630                   | \$102,586               | \$76,940 to \$102,586       | \$58,289 to \$76,939        | \$0 to \$58,288              |
| ADDITIONAL PERSON | + \$4,720                  | + \$10,384              | \$7,788 to \$10,384         | \$5,901 to \$7,787          | \$0 to \$5,900               |

## 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