



CITY OF ANN ARBOR, MICHIGAN

301 E. Huron St, P.O. Box 8647, Ann Arbor, Michigan 48107
General Office (734) 794-6530 Fax Number (734) 997-1437
<http://www.a2gov.org>

2025 Poverty Application

Enclosed are 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 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

CITY OF ANN ARBOR BOARD OF REVIEW
GUIDELINES FOR POVERTY EXEMPTIONS

TAX YEAR 2025

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, but otherwise meets the poverty income eligibility guidelines herein (e.g. self-imposed poverty).

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 exemptions 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 or reverification form, as applicable, 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. Subject to annual audit by the Assessor’s Office, Poverty exemptions granted at 100% exemption for those residents that establish initial eligibility in 2021, 2022, or 2023 to receive 100% exemption in taxes who also receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability reductions, will remain exempt from taxation for up to 3 additional years, beginning with the 2024 tax and concluding in the 2026 tax year, per PA 0191 of 2023.
7. 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 2024 income level established by city council for a family of one shall not exceed \$33,132. The 2024 income level for a family of four shall not exceed \$68,640.
8. 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.
9. 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. 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.

10. If a person claiming a poverty exemption is qualified under the eligibility requirements, the Board of Review shall have the statutory 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 if the income is greater than 175% or less than or equal to 220% the federal poverty level.
 - b. 50% reduction in taxable value for the tax year the exemption is granted if the income is greater than 150% and less than or equal to 175% of the federal poverty level.
 - c. 75% reduction in taxable value for the tax year the exemption is granted if the income is greater than 125% and less than or equal to 150% of the federal poverty level.
 - d. 100% reduction in taxable value for the tax year the exemption is granted if the income is less than or equal to 125% of the federal poverty level.

HOUSEHOLD SIZE	FEDERAL POVERTY LEVEL	100% A2 TAXABLE VALUE EXEMPTION		75% A2 TAXABLE VALUE EXEMPTION		50% A2 TAXABLE VALUE EXEMPTION		25% A2 TAXABLE VALUE EXEMPTION	
1	\$15,060	\$0	\$18,825	\$18,826	\$22,590	\$22,591	\$26,355	\$26,356	\$33,132
2	\$20,440	\$0	\$25,550	\$25,551	\$30,660	\$30,661	\$35,770	\$35,771	\$44,968
3	\$25,820	\$0	\$32,275	\$32,276	\$38,730	\$38,731	\$45,185	\$45,186	\$56,804
4	\$31,200	\$0	\$39,000	\$39,001	\$46,800	\$46,801	\$54,600	\$54,601	\$68,640
5	\$36,580	\$0	\$45,725	\$45,726	\$54,870	\$54,871	\$64,015	\$64,016	\$80,476
6	\$41,960	\$0	\$52,450	\$52,451	\$62,940	\$62,941	\$73,430	\$73,431	\$92,312
7	\$47,340	\$0	\$59,175	\$59,176	\$71,010	\$71,011	\$82,845	\$82,846	\$104,148
8	\$52,720	\$0	\$65,900	\$65,901	\$79,080	\$79,081	\$92,260	\$92,261	\$115,984
ADDITIONAL PERSON	\$5,380	\$0	\$6,725	\$6,726	\$8,070	\$8,071	\$9,415	\$9,416	\$11,836

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 **State (CIT) and Federal (1120, 1120-S) Corporate and/or Partnership (1065) Income Tax Returns** for all businesses located in or operated from your primary residence, including 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, submit the following for all residents:
 - Copy of Michigan Department of Treasury **Poverty Exemption Affidavit**. 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
 - **Proof of prior year income** (eg. 2024 Social Security Statement or W-2).
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.**
RETURN THE ORIGINAL APPLICATION FULLY EXECUTED AND REQUIRED DOCUMENTATION AFTER JANUARY 1ST OF EACH YEAR AND NO LATER THAN ONE DAY PRECEDING THE CONVENING OF THE BOARD OF REVIEW.
8. **PLEASE RETURN THE APPLICATION BY FRIDAY, MARCH 14TH TO ALLOW TIME FOR REVIEW PRIOR TO THE MARCH BOARD OF REVIEW WHICH CONVENES MARCH 17, 2025; OR BY MONDAY, JULY 14TH TO ALLOW TIME FOR REVIEW BEFORE THE JULY BOARD OF REVIEW MEETS ON JULY 22, 2025; OR BY MONDAY, DECEMBER 8TH TO ALLOW TIME FOR REVIEW BEFORE THE DECEMBER BOARD OF REVIEW MEETS ON DECEMBER 9, 2025.**

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.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.				
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		
PART 2: 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				
PART 3: ADDITIONAL PROPERTY INFORMATION				
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 (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 or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment

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

Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to 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

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

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
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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

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