

2021 HARDSHIP EXEMPTION POLICY AND GUIDELINES

Section 211.7u (1) of the Michigan General Property Tax Act defines the Poverty or Hardship Exemption as a method to provide relief for those who, in the judgement of the Board of Review are unable to fully contribute to the annual property tax burden of their principal residence due to their financial situation.

In granting Poverty Exemptions, the City of Auburn Hills and the Board of Review realize that it represents a shift of those property taxes exempted to the other taxpayers of the city. Poverty Exemptions are intended to assist those who are in temporary financial straits and is NOT intended as a permanent or continuous subsidy.

To be eligible for Hardship Exemption, the following information is required to be filed with the Assessing Office:

1. Fully completed Hardship Exemption Application
2. Fully completed W-2 Forms, Social Security Statements or similar income verification for all current members of the household.
3. Fully completed Michigan Income Tax Returns for all household members.
4. ~~Fully completed Michigan Homestead Property Tax Credit Claim (MI 1040CR). Per PA 253 of 2020~~
5. Valid Michigan driver's license (if requested).
6. Proof of property ownership (if requested).

Following are the guidelines for Hardship Exemption as established by the City of Auburn Hills:

1. Applicants MUST meet the poverty income standards; these will be based upon the current year Federal Poverty Thresholds multiplied by a rate of 150% (or 1.5).
2. Applicants MUST be an owner of and occupy as a homestead (as defined by MCL 211.7c) the property for which an exemption is being requested. Vacant, unplatted, contiguous land shall not qualify as homestead property for purposes of these guidelines.
3. Applicants MUST file a completed "Poverty Exemption Application" with the Board of Review on a form provided by the Assessing Department and include a copy of their Michigan Homestead Property Tax Credit Claim and State of Michigan Income Tax Returns and all supporting documents for ALL PERSONS residing in the homestead.
4. Applicants must provide a valid driver's license or other form of identification and must also provide a copy of a deed, land contract, or other evidence of ownership of the property for which an exemption is requested by the Assessor or Board of Review.

5. Applicants should have a true cash value (assessment x 2), which is less than two hundred thousand (\$200,000) dollars.
6. The amount of money the applicant has in checking and savings accounts, with the total not to exceed \$15,000 per person residing in the homestead.
7. Ownership interest in real estate other than the homestead. Applicants shall not have ownership of, or interest in, real estate other than the qualified homestead.
8. Exemptions will be limited to 2 years for persons under the age of 60, unless an applicant demonstrates he or she has a physical or mental disability which prevents them from being gainfully employed.

Under no circumstance shall the Board of Review reduce the taxable value lower than that which would produce an annual ad valorem tax equal to 3.5% of an applicant's income plus any property tax credit refund payable by the State of Michigan. There shall be no poverty exemption granted that would reduce an applicant's taxable value to less than \$1,000. It is not the intent of the city to adopt a policy of an individual being "automatically entitled" to exemption.

Your application will be sent to the July or December Board of Review session.

Applicants will be notified in writing of the Board of Review's decision and their appeal rights. All hardship exemptions are, by law, effective for ***one year only***.

Please return the fully completed application and necessary information to the Auburn Hills Assessing Department 5 days prior to the Board of Review. If there are any questions, please call the Assessing Department at 248-370-9436.

William Griffin, MMAO

Assessor

CITY OF AUBURN HILLS 2021 ECONOMIC HARDSHIP APPLICATION

**** YOU MUST OWN AND OCCUPY THE PROPERTY AS YOUR PRINCIPAL RESIDENCE
TO BE CONSIDERED FOR AN EXEMPTION (Per MCL 211.7u(2)(a))
ALL INFORMATION SUBMITTED TO THE BOARD OF REVIEW IS CONFIDENTIAL
IF YOU NEED ASSISTANCE - CALL (248) 370-9436**

Complete and return

July 1, 2021 for consideration at the July Board of Review
OR * December 1, 2021 for consideration at the December Board of Review
(* you can only apply once/year)

**** ANSWER ALL QUESTIONS COMPLETELY ****

Type or print with ball point pen

Parcel No. _____

ADDRESS _____

Number of years at this address _____

APPLICANT NAME _____

SPOUSE NAME _____

Daytime Phone: _____

S.S.# (applicant) _____

S.S. # (spouse) _____

Birth Date (applicant) _____

Birth Date (spouse) _____

Applicant's Employment Status (Circle all that apply)

- Employed Full Time - Unemployed (HOW LONG? ____)
- Employed Part Time - Retired - Disabled
(Occupation _____)

Spouse's Employment Status (Circle all that apply)

- Employed Full Time - Unemployed (HOW LONG? ____)
- Employed Part Time - Retired - Disabled
(Occupation _____)

List name(s) and soc sec # of **all other occupants** of the household. **(DO NOT REPEAT applicant and spouse).**
(Use other side of page, if needed)

NAME	AGE	RELATIONSHIP	EMPLOYMENT STATUS <small>(circle all that apply)</small>	SOC. SEC. NUMBER
_____	_____	_____	- Retired - Empl.Full Time - Unemployed - Disabled - Empl. Part Time	_____
_____	_____	_____	- Retired - Empl.Full Time - Unemployed - Disabled - Empl. Part Time	_____
_____	_____	_____	- Retired - Empl.Full Time - Unemployed - Disabled - Empl. Part Time	_____
_____	_____	_____	- Retired - Empl.Full Time - Unemployed - Disabled - Empl. Part Time	_____

YOU MUST SUBMIT THE FOLLOWING DOCUMENTS WITH YOUR APPLICATION FOR EACH HOUSEHOLD MEMBER THAT CONTRIBUTES TO THE HOUSEHOLD INCOME.

- SIGNED copy of your 2020 Michigan Income Tax form (MI-1040) ***
- Copy of your 2021 W-2 forms or similar income verification for all members of the household
- Copy of your 2021 Social Security Benefits Statement B27
- Copy of your 2021 Supplemental Security Income Statement (S.S.I.)

FOR CITY USE ONLY

- | | |
|---|---|
| 1. Original Proposed Assessed Value _____ | 5. Current Yr, Summer Taxes Paid? _____ |
| 2. Original Proposed Taxable Value _____ | 6. Current Yr. Winter Taxes Paid? _____ |
| 3. Principal Residence Exemption % _____ | 7. TIFA district (if applicable) _____ |
| 4. School District _____ | |

CITY OF AUBURN HILLS 2021 ECONOMIC HARDSHIP APPLICATION

HOUSEHOLD INCOME: JAN 1 - DEC 31, 2020

(INCLUDE INCOME OF ALL OCCUPANTS OF HOME)

1. Federal Adjusted Gross Income (applicant and spouse)
as shown on Form 1040 _____
2. Social Security income (applicant) \$ _____
(Do **NOT** include Medicare premium paid FOR you)
3. Social Security income (spouse) \$ _____
4. S.S.I. \$ (applicant) _____
5. S.S.I. \$ (spouse) _____
(S.S.I. = Supplemental Security Income)
6. Pensions, retirements
NOT included on line 1 _____
Received from: _____
(please attach copy)
7. Interest (bank, escrow non-taxable
dividends, etc.) NOT INCLUDED in line 1 _____

- 8a. Federal Adjusted Gross Income,
Social Security or S.S.I. of **other**
household member(s) _____
- 8b. Their relationship to you _____
9. Other sources of income:
 - a. Rental Income _____
 - b. Food Stamps _____
 - c. Assistance from relatives _____
 - d. Lottery/contests/raffles _____
 - e. Unemployment _____
 - f. Child Support/Alimony _____
 - g. Earned Income Credit* _____
 - h. Other (explain) _____
10. Subtotal (lines 1 through 9e) _____
11. Total of non-reimbursed medical expenses and medical insurance
premiums (DO NOT include premiums for Medicare or life insurance)
(List detail on next page:) _____

12. TOTAL HOUSEHOLD INCOME
(line 10 minus line 11) _____

ASSET / EXPENSE INFORMATION

AUTOMOBILE

Make	Model	Year	Unpaid Loan Balance
_____	_____	_____	_____
_____	_____	_____	_____

OTHER ASSETS AS OF DEC 31, 2020 (Enter approximate value or N/A if not applicable - STATEMENT REQUIRED)

- | | |
|--------------------------------------|--|
| 1. Cash on hand _____ | 7. Savings Bonds (Face Value) _____ |
| 2. Checking Accounts _____ | 8. Money Market Certificates _____ |
| 3. I.R.A. or Keogh Plan _____ | 9. Trust Funds _____ |
| 4. Stocks _____ | 10. Bonds _____ |
| 5. Life Insurance (Face Value) _____ | 11. Recreational Vehicles,Boats _____ |
| 6. Savings Accounts _____ | 12. Collectibles (Art, coins, etc) _____ |

12. Other real estate owned (Ex: Adjacent lots, vacation or investment properties)

Location	How long have you owned this property?	State Equalized Value	Percentage of Ownership
_____	_____	_____	_____
_____	_____	_____	_____

CITY OF AUBURN HILLS 2021 ECONOMIC HARDSHIP APPLICATION

NECESSARY MEDICAL EXPENSES (attach additional page(s), if needed) **(YOU MUST ATTACH SUPPORTING DOCUMENTS! ie: paid receipts for doctor visits, prescription medication, medical services)**

List, in detail, medical expenses claimed on #11 on previous page.

Paid to	Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

If disabled, please describe disability _____
 _____ How long have you been disabled? _____
 (You may be asked to provide proof of disability from your doctor)

OTHER EXPENSES (attach additional page(s), if needed)

1. a. Do you have a mortgage? _____ b. If yes, what is your unpaid balance? _____ c. monthly payment? _____
 d. Does your mortgage payment include property taxes? _____
2. a. Do you have a reverse mortgage? _____ b. If yes, what is the mortgage amount? _____
 c. What is your income from the reverse mortgage? _____ per Month / Year (circle one)
3. a. Do you pay association fees? _____ b. If yes, what is the monthly payment? _____
4. a. Do you have any other outstanding loans? _____ b1. To whom? _____ c. Balance _____ d. Mnthly pmt _____
 b2. To whom? _____ c. Balance _____ d. Mnthly pmt _____
 (includes credit cards-**MUST** provide statement)
5. a. Do you have any other major or unusual expenses? _____ b. If yes, what is your monthly payment? _____
 c. describe the expense _____
6. Approx. **MONTHLY** expenses: (please enter \$ amounts or n/a if not applicable)

Heat: _____	Electricity: _____	House Ins _____	Internet: _____
Water: _____	Phone: _____ (home) _____ (cell)	Car Ins: _____	Cable: _____

Under penalty of perjury, I certify that to the best of my knowledge and belief the information that I have provided herein is true, correct and complete and that I am unable to pay my full share of property taxes

X

Signature of Claimant or Agent* (REQUIRED) **Email** **Date**

 AGENT*: NAME _____
 ADDRESS _____
 PHONE NUMBER _____ EMAIL _____
 RELATIONSHIP TO APPLICANT _____

(* If agent, please submit a Power of Attorney document or a Letter of Authorization from the applicant giving you permission to

CITY OF AUBURN HILLS 2021 ECONOMIC HARDSHIP APPLICATION

act on their behalf)

City of Auburn Hills

2021 Income Thresholds for Poverty Guidelines

Family Size	Income
1	\$19,140
2	25,860
3	32,580
4	39,300
5	46,020
6	52,740
7	59,460
8	66,180

SOURCE: 2021 Federal Poverty Guidelines as published in STC Bulletin No. 17 of 2020 – (150% level)

*The poverty guidelines are 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(2).