

CITY OF SWARTZ CREEK REQUIREMENTS FOR POVERTY EXEMPTION

In order to be eligible for the poverty exemption, the claimant must do and meet all of the following requirements on an annual basis:

REQUIREMENTS

1. The applicant *must* own and occupy as a homestead the property for which the exemption is requested. The applicant *must* also produce a valid driver's license or other form of identification showing place of residence.
2. The applicant *must* file a written petition with the Board of Review between January 1 of each year and the last scheduled meeting day of the March Board of Review on the form provided by the Swartz Creek City Assessor's Office. Alternate filing deadlines are prior to the last scheduled meeting day of the July or December Board of Review. **Note:** The filing of this claim constitutes an appearance before the March Board of Review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.
3. Applicant *must* provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns and/or State of Benefits Paid from Michigan Department of Social Services or Social Security Administration. These income tax returns may be those filed in the current year or in the immediately preceding year. Any additional information regarding the poverty application must be in writing and attached to the petition form (**Note:** If an applicant is not required to file a federal or state income tax return then they must show proof of income and proof of reason why an income tax return need not be filed.).
4. The household assets may not exceed \$10,000, excluding the principle residence. Household assets are listed on the Application for Poverty Exemption Petition.
5. The applicant must produce a deed, land contract or other evidence of ownership of the property for which an exemption is requested to support the information provided on the Poverty Petition.
6. The applicant must produce a written explanation for all household members over the age of eighteen (18) years of age that are not cited as contributors to the household income.

7. An applicant must meet the Federal Poverty Income Standards as defined and determined annually by the United States Office of Management and Budget:

IMPORTANT NOTE: PA390 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.

8. The Poverty Exemption applicant must provide additional relevant documentation requested by the Assessor or Board of Review in order to fully investigate an application.
9. Handicapped individuals shall be considered the same as persons age 65 and older.

GUIDELINES FOR GRANTING POVERTY EXEMPTIONS:

1. Poverty Exemptions shall not be granted if:
 - a. If the applicant's household annual taxable and nontaxable interest and dividend incomes are more than \$200.00.
 - b. Real Estate holding other than the Homestead are owned.
2. A poverty situation does not exist when Property Taxes do not exceed five percent (5%) of the household income.
3. The Board of Review shall not grant a decrease of more than 50% of SEV for any reason.

Poverty Exemptions must be processed annually. Under no circumstances will a poverty exemption be extended for a subsequent year without renewal of the poverty petition.

If an applicant for Poverty Exemption meets all of the requirements of this policy, then the State Equalized Value (SEV) decrease on the property shall be as follows:

Household Income Within ____% of Poverty Threshold	Percent SEV Shall Decrease
Within 95% up to the Poverty Threshold	20%
Between 85% and 94.99%	30%
Between 75% and 84.99%	40%
Below 75%	50%

APPEAL OF POVERTY EXEMPTIONS TO THE MICHIGAN TAX TRIBUNAL:

A property owner may appeal the March Board of Review's decision on a poverty exemption to the Michigan Tax Tribunal. This appeal must be made by June 30. A property owner may appeal the July Board of Review's decision or December Board of Review's decision to the Michigan Tax Tribunal within 35 days from the date of the decision. The assessor may also appeal a Board of Review's decision on a poverty exemption to the Michigan Tax Tribunal.