



**CITY OF ITHACA  
ASSESSING DEPARTMENT  
129 W. EMERSON ST.  
ITHACA, MI 48847  
(989)875-3200**

## **POVERTY EXEMPTION APPLICATION FOR 2019**

(UNDER MCL 211.7u - NEW REQUIREMENTS)  
**INCOME STANDARDS FOR 2019**

*It is recommended that you read this application before you fill it out. In some instances, you may not qualify.*

I, \_\_\_\_\_, being the owner and resident of the property listed below, desire to apply for tax relief under section 7u of the Michigan General Property Tax Act (which states, "The principal residence of persons who in the judgment of the assessor and board of review, by reason of Poverty, are unable to contribute towards the Public charges, are exempt for tax under this act.")

I also swear that this property is my, "Homestead Property or qualified agricultural property," as defined in MCL 211.dd.

### **NEW POVERTY EXEMPTION REQUIREMENTS EFFECTIVE 1994**

PA 390 of 1994 states that the poverty exemption shall not be granted to property owned by a corporation.

Starting 1995, PA 390 of 1994 states that the **governing body** of the local assessing unit shall determine the policies and guidelines that the local assessing unit will use when deciding whether to grant poverty exemptions.

PA 390 requires that the poverty exemption guidelines include the asset levels of the entire household. The determination of the amount of the asset levels is left to the discretion of the local governing body. Local governing bodies are required by the Act to set income and asset levels for their poverty exemption guidelines.

In order to qualify for the poverty exemption, the claimant must meet **all** of the tests set by the local governing body.

PA 390 requires that local assessing units make available to the public their policies and guidelines for the granting of poverty exemptions. The Board of Review shall follow the policies and guidelines of the local assessing unit when granting or denying a poverty exemption. The same standards shall apply to each claimant in the unit for the assessment year.

PA 390 requires that the poverty exemption guidelines set by the governing body of the local assessing unit include income and asset level. The Act further requires that the income levels NOT be set lower than the federal poverty income standards.

**PARTIAL POVERTY EXEMPTIONS:**

Beginning in 1995, PA 390 of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only a part of the taxable value of the property rather than the entire taxable value.

**FILING FOR THE POVERTY EXEMPTION:**

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

- 1) Own and occupy as a homestead the property for which the exemption is requested.
- 2) File a Claim with the supervisor/assessor or board of review after January 1, but before the day prior to the last day of the Board of Review on a form provided by the local assessing unit.
- 3) Provide Federal and State income tax returns for all persons residing in the homestead including any property tax credit returns.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested, if requested.
- 6) Meet the federal poverty income standards adopted by the governing body of the local assessing unit.
- 7) Meet the asset levels set by the governing body of the local assessing unit.

A claimant may Request a Poverty Exemption and Appeal the Property's Assessment to the March Board of Review.

**FEDERAL POVERTY INCOME STANDARDS:**

The following are the federal poverty income standards that the United States Office of Management and Budget recommend that federal departments and agencies use. ***City of Ithaca*** has adopted these Income Levels for the basis of granting "Poverty Exemptions." These amounts are adjusted annually.

**To be eligible for a poverty exemption in City of Ithaca *FOR 2019 your income may NOT exceed these guidelines. If your income exceeds the levels listed below, you do not qualify for a Poverty Exemption:***

	<u>2019</u>	<u>2018</u>
1 person .....	\$ 12,140	\$ 12,060
2 persons .....	16,460	16,240
3 persons .....	20,780	20,420
4 persons .....	25,100	24,600
5 persons .....	29,420	28,780
6 persons .....	33,740	32,960
7 persons .....	38,060	37,140
8 persons .....	42,380	41,320
For Each Additional Person add .....	4,320	4,180

**MAXIMUM ASSET STANDARDS TO BE ELIGIBLE FOR A POVERTY EXEMPTION**  
*(PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall include an asset level test)*

City of Ithaca has adopted the following MAXIMUM ASSET STANDARDS for a household to be eligible for a POVERTY EXEMPTION. The below asset levels DO NOT include the value of your homestead (per Tribunal ruling 08-13-97, Docket #236230), and the equity of the homestead should not be included within the asset test to be valid.

	<u>2019</u>	<u>2018</u>
1 person .....	\$ 21,000	\$ 21,000
2 persons .....	26,000	26,000
3 persons .....	31,000	31,000
4 persons .....	36,000	36,000
5 persons .....	41,000	41,000
6 persons .....	46,000	46,000
7 persons .....	51,000	51,000
8 persons .....	56,000	56,000
9 persons or more .....	61,000	61,000

**If your household assets exceed this amount you are NOT eligible for a POVERTY EXEMPTION.**

Please fill out the following forms to be considered for a poverty exemption by the City of Ithaca Board of Review.

## Hardship Exemption Application

I, \_\_\_\_\_, being the owner and resident of the property listed below, apply for tax relief under MCL 211.7u of the General Property Tax Act, (the real and personal property 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, are exempt from taxation under this act).

Property Code Number \_\_\_\_\_  
 Property Description: \_\_\_\_\_

Property Address: \_\_\_\_\_ Phone ( ) \_\_\_\_\_

Marital Status: \_\_\_\_\_

Age of Applicant: \_\_\_\_\_ Age of Spouse: \_\_\_\_\_

Number of Dependents: \_\_\_\_\_ Age of Dependents: \_\_\_\_\_

Have you applied for Homestead Property Tax Credit this Year? \_\_\_\_\_

How much was your Property Tax Credit? \_\_\_\_\_

ATTACH A COPY OF 1040 CR AND FEDERAL OR STATE INCOME TAX RETURN, IF FILED FOR THE CURRENT YEAR.

REAL ESTATE: Is home paid for? \_\_\_\_\_ Unpaid balance: \_\_\_\_\_

Name of Mortgage Co. \_\_\_\_\_ Monthly Payment: \_\_\_\_\_

How long have you lived at this residence? \_\_\_\_\_

Do you own, or are you buying any other property? \_\_\_\_\_

If so, list below:

Property Address	Name of Owner	Assessed Value	Amount and Date of Last Taxed Paid

Income earned from above property \$ \_\_\_\_\_

Name of Employer: \_\_\_\_\_

Address: \_\_\_\_\_

Phone No. ( ) \_\_\_\_\_

List all income from salaries, Social Security, rents, pensions, unemployment compensation, disability, government pensions, workers' compensation, dividends, claims and judgments from lawsuits, alimony, child support and any other source.

Source of Income	Monthly or Annual Income

SAVINGS AND INVESTMENTS: List all savings owned by you or your spouse, including savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds or similar investments.

Name of Financial Institution or Investments	Amount on Deposit	Name on Account	Value of Investment

LIFE INSURANCE: List all policies held by you and your spouse.

Insured	Amount of Policy	Amt. Paid Monthly	Paid Up Policy	Name of Beneficiary	Relationship to Insured

MOTOR VEHICLES IN HOUSEHOLD:

Make	Year	Monthly Payment	Balance Owed

LIST ALL PERSONS LIVING IN HOUSEHOLD:

Last Name	First Name	Age	Relationship to Claimant	Place of Employment	Contribution to Family Income

Reason for Requesting Exemption

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: a copy of your latest federal income tax return, state income tax return (MI-1040) and your Homestead Property Tax Credit claim (MI-1040CR 1,2,3 or 4) must be attached as proof of income.

NOTE: Do not sign until witnessed by the supervisor, assessor or board of review.

STATE OF MICHIGAN

COUNTY OF \_\_\_\_\_

The undersigned, being duly sworn, deposes and says that the statements made in the foregoing application are true and that he/she has no money, income or property other than mentioned herein.

\_\_\_\_\_  
Petitioner

Subscribed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
Assessor, Supervisor, Board of Review Member or Notary Public

\_\_\_\_\_  
This Application must be returned no later than the second Monday in March to the Board of Review of \_\_\_\_\_.

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
FOR BOARD OF REVIEW USE

Disposition by Board of Review                      Date \_\_\_\_\_

Denied: \_\_\_ Approved: \_\_\_ Assessment reduced to \_\_\_\_\_

Supervisor \_\_\_\_\_ Chairperson \_\_\_\_\_ Second Member \_\_\_\_\_ Third Member \_\_\_\_\_

Decisions may be appealed to Michigan Tax Tribunal

**PERSONAL DEBTS:**

<b>Creditor</b>	<b>Purpose of Debt</b>	<b>Date of Debt</b>	<b>Original Balance</b>	<b>Monthly Payment</b>	<b>Balance Owed</b>

**MONTHLY EXPENSES:**

UTILITIES \_\_\_\_\_ FOOD \_\_\_\_\_ PHONE \_\_\_\_\_  
 CLOTHING \_\_\_\_\_ HEAT \_\_\_\_\_ CAR EXPENSES \_\_\_\_\_

OTHER (Specify) \_\_\_\_\_

**OTHER ASSETS:** List all other assets and their value that are owned or controlled by you. (For example, boats, coin collection, antiques, silver)

<b>Type of Asset</b>	<b>Value</b>	<b>Owner</b>