



# City of Clawson

425 N. Main Street / Clawson, Michigan 48017  
(248) 435-4500 FAX (248) 435-0515

CM 03-035-11

## CONSIDERATION OF THE RESOLUTION ADOPTING A POLICY RELATIVE TO THE REVIEW AND GRANTING OF POVERTY EXEMPTIONS BY THE CITY OF CLAWSON BOARD OF REVIEW

**MOTION BY:** Councilmember Palmer  
**SUPPORTED BY:** Councilmember Phillips

**RESOLVED**, the Resolution adopting a policy Relative to the Review and Granting of Poverty Exemptions by the City of Clawson Board of Review be approved, as amended, adding item e. as stated in the Resolution.

### City Adopted Policy Relative To The Review And Granting Of Poverty Exemptions By The City of Clawson Board of Review

**WHEREAS**, P.A. 390 of 1994, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being sections 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit determine and make available to the public the policy and guidelines used by the Board of Review in granting reductions in property assessments due to limited income and assets, referred to as "poverty exemptions."

**THEREFORE, BE IT RESOLVED** that to be eligible for a poverty exemption in the City of Clawson,

- An applicant or applicants must physically occupy and be the "sole" owner(s) of the property for which the exemption is requested.
- The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principle Residence Exemption currently in effect.
- The applicant must submit the most recent year's copies of the following for all persons residing in the homestead:
  - a) Federal Income Tax Return – 1040 or 1040A.
  - b) W-2 Forms
  - c) Either Senior Citizens Homestead Property Tax Form MI-1040CR-1 or General Homestead Property Tax Claim MI-1040CR-4.
  - d) Statement from Social Security Administration and/or the Michigan Social Services as to monies paid to applicants during the previous year.
  - e) Production of all other evidence necessary to substantiate the exemption as the board requests.
- The applicant must supply a copy of a current driver's license or other form of identification.
- The applicant must provide a deed, land contract, or other evidence of ownership if the Board requests it.

**BE IT FURTHER RESOLVED** that the applicant's total household income cannot exceed the most current limits set forth by the U.S. Department of Housing and Urban Development (HUD) "Extremely-Low Income" figures as established by the Community Development Block Grant (CDBG) program.

**BE IT FURTHER RESOLVED** that the total value of the assets of the applicant and each member of the applicant's household shall not exceed \$50,000.00, excluding the property for which the exemption is requested, but including all savings, retirement accounts, cash, bonds, stocks and mutual funds, coin collections, boats, recreational vehicles, jewelry, second homes, cottages, or any other saleable real property or other tangible items.

**BE IT FURTHER RESOLVED** that any reduction in the State Equalized Value of a property is granted for one year only and must be applied for and reviewed annually based on the applicant's current situation.

**BE IT FURTHER RESOLVED** that in reviewing the application and all supporting documentation, the Board of Review will consider income, assets, potential earning capacity, medical conditions, and any other unique circumstances of the applicant. The Board may deviate from the established policy and guidelines only for "substantial and compelling reasons." Income level does not guarantee 100% exemption. At their discretion, the Board may approve full or partial exemption if deemed appropriate.

**BE IT FURTHER RESOLVED** that to conform to the provisions of P.A. 390 of 1994, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

**CARRIED UNANIMOUSLY:**

STATE OF MICHIGAN        )  
  )  
COUNTY OF OAKLAND     )

I DO HEREBY CERTIFY THAT THE ABOVE IS A TRUE COPY OF A RESOLUTION MADE, PASSED AND ADOPTED BY THE CITY COUNCIL HELD AT A REGULAR MEETING HELD IN THE COUNCIL CHAMBERS, 425 N. MAIN STREET, CLAWSON, MICHIGAN ON TUESDAY, MARCH 1, 2011 AT 7:30 P.M.

*G. Machele Kukuk*  
\_\_\_\_\_  
G. MACHELE KUKUK, CITY CLERK

**POLICE & FIRE**  
(248) 524-3477  
Fax (248) 435-4847

**PUBLIC WORKS**  
(248) 288-3222  
Fax (248) 288-3973

**RECREATION**  
(248) 589-0334  
Fax (248) 291-0125

**LIBRARY**  
(248) 588-5500  
Fax (248) 588-3114

# Poverty Exemption

## JULY AND DECEMBER BOARD OF REVIEW

### CITY COUNCIL/TOWNSHIP BOARD POLICY FOR APPLICANTS REQUESTING CONSIDERATION UNDER SEC. 211.7U OF THE GENERAL PROPERTY TAX ACT OF 1893 THE MICHIGAN HOMESTEAD POVERTY EXEMPTION

#### APPLICATION PROCEDURE

1. All applicants must obtain the proper application from the Assessor's Office. Physically disabled or infirmed applicants may call the Assessor's Office to make necessary arrangements for assistance. Applications will be accepted after January 1, through the day prior to the last day of the Board of Review.
2. Applicants will not be eligible for consideration if the income as reported on their income tax forms is greater than the HUD Section 8 Guidelines.
3. All applicants must be the property owners and reside therein.
  - A. Must produce a driver's license or other acceptable method of identification.
  - B. Must produce a deed, land contract or other evidence of ownership if the assessor requests it.
4. All applicants must fill out application form in its entirety and return it, in person, to this office, except as noted in item 1 above.
5. All applicants must submit last years copies of the following for all persons residing in the homestead:
  - A. Federal Income Tax Return – 1040 or 1040A
  - B. W-2 Forms
  - C. Senior Citizens Homestead Property Tax Form MI-1040CR-1
  - D. General Homestead Property Tax Claim MI-1040CR-4
  - E. Statement from Social Security Administration and/or Michigan Social Services as to monies paid to you during previous years.
6. Applications may be filed with this office beginning January 1, but, in any event no later than the day prior to the last day of the Board of Review.

CITY/TOWNSHIP OF \_\_\_\_\_ BOARD OF REVIEW  
HARDSHIP APPLICATION FOR PROPERTY TAX CONSIDERATION

DATE \_\_\_\_\_ PARCEL IDENTIFICATION NUMBER \_\_\_\_\_

PROPERTY ADDRESS

PETITIONERS/OWNERS NAME

\_\_\_\_\_  
YEARS OF RESIDENCY

\_\_\_\_\_  
MARITAL STATUS

\_\_\_\_\_  
# OF DEPENDENTS

\_\_\_\_\_  
DEEDHOLDER'S NAME

\_\_\_\_\_  
DEEDHOLDER'S ADDRESS

INCOME INFORMATION: YOU MUST LIST ALL INCOME FOR YOU AND YOUR SPOUSE AND ALL OCCUPANTS OF THE HOUSEHOLD.

FILL IN ANNUAL AMOUNTS RECEIVED FOR EACH CATEGORY.

	APPLICANT	SPOUSE	HOUSEHOLD OCCUPANT
SOCIAL SECURITY	\$	\$	\$
WAGES	\$	\$	\$
PENSIONS: STATE WHERE RECD FROM	\$	\$	\$
ARE YOU ON MEDICARE/ MEDIC AID			
OTHER MEDICAL INS. WHO PAYS PREMIUMS			
INTEREST/ DIVIDEND	\$	\$	\$
RENTS/ ROYALTIES	\$	\$	\$
PUBLIC ASSISTANCE	\$	\$	\$
CHILD SUPPORT	\$	\$	\$
UNEMPLOYMENT	\$	\$	\$
WORKERS COMP	\$	\$	\$
OTHER	\$	\$	\$

\_\_\_\_\_  
TOTAL HOUSEHOLD INCOME

AS THE OWNER AND OCCUPANT OF THIS PROPERTY, I REPRESENT THE INFORMATION HEREIN TO BE ACCURATE AND WILL PROVIDE VERIFICATION IF REQUESTED BY THE BOARD OF REVIEW. I DECLARE I AM UNABLE TO BEAR MY FULL SHARE OF THE BURDEN OF TAXATION, AND HEREBY APPLY TO THE BOARD OF REVIEW FOR RELIEF FROM GENERAL PROPERTY TAXATION.

\_\_\_\_\_  
PHONE NUMBER

\_\_\_\_\_  
SIGNATURE OF APPLICANT

YOU MUST DISCLOSE INFORMATION ON ALL OCCUPANTS OF YOUR HOUSEHOLD

	APPLICANT	SPOUSE/PARTNER	HOUSEHOLD OCCUPANT/OWNER
<b>NAME:</b>			
<b>AGE:</b>			
<b>RELATIONSHIP TO APPLICANT:</b>			
<b>CURRENT OR FORMER OCCUPATION:</b>			
<b>EMPLOYER NAME:</b>			
- <b>LENGTH OF EMPLOYMENT</b>			
- <b>SALARY / HOURLY WAGE</b>			
<b>NUMBER OF YEARS RETIRED:</b>			
<b>NUMBER OF YEARS UNEMPLOYED:</b>			
<b>CURRENTLY ON DISABILITY?</b>	YES/NO	YES/NO	YES/NO
<b>LIST ALL REAL ESTATE OWNED: (ATTACH LIST IF NEEDED)</b>			
<b>MORTGAGE ON HOME: (COMPANY NAME AND BALANCE)</b>			
<b>OUTSTANDING LOANS BALANCE &amp; PMTS:</b>			
<b>LIST ALL NAMES ON CURRENT DEED TO HOME:</b>			
<b>DOES ANYONE ELSE HELP YOU FINANCIALLY?</b>	YES/NO	YES/NO	YES/NO
- <b>IF SO, HOW MUCH?</b>			
<b>ASSETS</b>			
<b>CASH/SAVINGS/CHECKING ACCOUNT AMOUNTS:</b>			
<b>T-BILLS/CD'S/STOCKS/ BOND AMOUNTS:</b>			
<b>OTHER INVESTMENTS:</b>			
<b>IRA/KEOGH/DEFERRED COMPENSATION AMOUNTS:</b>			
<b>VEHICLE YR/MAKE/MODEL/ INFO: BALANCE OWED</b>			
<b>OTHER ASSETS:</b>			

**EXPENSES**

List your monthly financial obligations below:

Mortgage Payment: \$ \_\_\_\_\_

Second Mortgage/Home Equity: \$ \_\_\_\_\_

House Insurance: \$ \_\_\_\_\_

Car Payment: \$ \_\_\_\_\_

Car Insurance: \$ \_\_\_\_\_

Utility Bills: \$ \_\_\_\_\_

Medical Insurance Premiums: \$ \_\_\_\_\_

Medical Bills: \$ \_\_\_\_\_

Credit Cards: \$ \_\_\_\_\_

Notes Payable to Banks\*: \$ \_\_\_\_\_

\*Other than house payments, car payments and bills already listed

If you have additional financial obligations not listed above, please attach a separate sheet itemizing each such monthly expense.

**For each of the above financial obligations in which you have identified an expense, attach copies of the billings for each item from November and December of the last year. Applicant must attach copies of the checking and savings account bank statements from November and December of the last fiscal year ending on December 31 and a signed copy of the Prior Year's FEDERAL and STATE INCOME TAX RETURNS (and a signed copy of your Prior Year's HOMESTEAD PROPERTY TAX CREDIT FORM if qualified) for each member of the household.**

*Failure to include this information may result in denial of applications.*

**I swear under the penalty of perjury** that the preceding information is a complete and true statement of the financial condition of the undersigned and the household for which tax relief is requested, and if it is discovered that said information is inaccurate, incomplete or false, in any way, the City of Clawson, in addition to any other remedies it has at law, may revoke any tax relief/exemption granted to me and require me to repay any taxes saved as a of said exemption **plus interest** at the highest rate permitted by law. This statement is filed for the purpose of obtaining property tax relief/exemption and I understand that any relief granted by the City of Clawson Board of Review is for **one year only**.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

**\*\*Note\*\*** Please fill out this applications carefully, and answer all questions. If more space is needed, use the back of this form or attach additional sheets. *Please do not staple documents.*

## 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

**ESTABLISHED BY THE U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**  
(Effective April 1, 2020)

<b>PERSONS PER HOUSEHOLD</b>	<b>EXTREMELY LOW INCOME (30%)</b>
1	16,500
2	18,850
3	21,720
4	26,200
5	30,680
6	35,160
7	39,640
8	44,120