

City of Auburn Hills

Policy and Guidelines for Applicants Requesting Consideration for Poverty Exemptions

Approved by City Council 2/18/2008

1. All applicants must obtain the proper applications from the City Assessor's Office. Handicapped or infirm applicants may call the Assessor's Office to make necessary arrangements for assistance.
2. Applicants will be required to provide documentation of income, including signed current Federal or State income Tax Forms filed in the immediately preceding year or current year, W-2 Forms, current pay stubs, and Form SSA-1099-Social Security Benefit Statement. **Documentation of medical expenses (and other expenses, upon request), is also required.**
3. Only the property owned and occupied by the applicant as a principal residence shall qualify. Proof of ownership and residence will be provided if so requested. Property claimed as a principal residence must meet the definition of said property in MCL 211.7dd, as amended.
4. **If an applicant's family income level and asset level qualifies for poverty exemption, the taxable value on the principal residence will be reduced so that their overall property tax liability for the year will be 3.5% of gross income, *Gross Income shall include total household incomes. THE MAXIMUM ALLOWED REDUCTION IN TAXABLE VALUE WILL BE \$75,000.***
5. **Persons whose household assets, consisting of cash on hand, and checking or savings account balances that exceed \$15,000, or whose other total household assets such as money market certificates, certificates of deposit, or savings bonds, other investments, and other tangible assets (also including cash on hand, checking and savings), exceed a present cash value of \$100,000 will not be eligible for a poverty exemption. Household assets as defined in this section do not include the True Cash Value of the principal residence of the applicant, the cash value of clothing, household furnishings or appliances, or vehicles used for essential household transportation.**
6. Exemptions granted for poverty exemption are valid for one year only. A person must reapply in the following year if they still are in need of assistance.
7. Persons filing for an exemption for the first time must also appear in person, or have a representative appear on their behalf before the Board of Review *. All other filers may have their applications presented to the Board by the Assessing Department. (* An authorization letter, signed by the applicant, is required)
8. **Beginning in 1995, 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.**
9. **Applications for poverty exemption shall be filed after January 1, but before the day prior to the last day of the Board of Review. Applications may also be filed for consideration before the July and December Board of Review sessions.**
10. Information provided on the application is confidential and shall be made available only to the Assessing Department and the Board of Review. All information is subject to verification and any subsequent discovery of unreported income and assets may lead to the cancellation by the Board of Review of the property tax exemption.
11. The Board of Review shall follow the policy and guidelines for poverty exemptions as determined by City Council, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and guidelines and the substantial and compelling reasons are communicated in writing to the claimant.
12. A person who files a claim for poverty exemption is not prohibited from also appealing the assessment on the property for which that claim is made before the Board of Review in the same year.
13. **The qualifying income levels (Schedule 1) shall be adjusted annually by the Assessing Department to reflect 150% of the Federal Poverty Guidelines.**

City of Auburn Hills
2008 Income Threshold for Poverty Guidelines

(Adopted by Auburn Hills City Council on 2-18-2008)

Family Size	Income
1	15,600
2	21,000
3	26,400
4	31,800
5	37,200
6	42,600
7	48,000
8	53,400

* From the 2008 Federal Poverty Guidelines as published in the Federal Register on 1/23/2008 - 150% level