

**APPLICATION FOR ONE YEAR HARDSHIP REDUCTION
(CONFIDENTIAL INFORMATION)
CITY OF IRONWOOD ASSESSOR'S OFFICE**

Appeal No: _____

Parcel No: 2752-_____

APPLICANT'S NAME _____ AGE _____

NAME OF SPOUSE (if applicable) _____ AGE _____

PROPERTY ADDRESS FOR WHICH RELIEF IS BEING SOUGHT _____

DO YOU CLAIM THIS PROPERTY AS YOUR HOMESTEAD (Primary Residence)? () YES () NO

TELEPHONE NUMBER _____

EMPLOYED		EMPLOYER		ARE YOU DISABLED?	
SELF	() YES () NO	() FULL TIME () PART TIME		SELF	() YES () NO
SPOUSE	() YES () NO	() FULL TIME () PART TIME		SPOUSE	() YES () NO

NATURE OF DISABILITY _____

(PLEASE PROVIDE DOCUMENTATION OF DISABILITY).

Do you have any **MAJOR OR UNUSUAL OUT-OF POCKET** expenses? If yes, please list them below and provide verification.

TYPE OF EXPENSE	AMOUNT PER YEAR

LIST ALL PERSONS LIVING IN THIS HOME OTHER THAN YOU OR YOUR SPOUSE.

	1	2	3	4
NAME				
AGE				
RELATIONSHIP				
OCCUPATION				
ANNUAL INCOME				
CLAIMED AS DEPENDENT	() YES () NO	() YES () NO	() YES () NO	() YES () NO

Attach additional sheet, if needed.

PROPERTY INFORMATION

Purchase Date: _____
Do you own this property free and clear? () YES () NO
If not, amount of monthly payment: \$ _____
Are the taxes included in payment? () YES () NO
Are property taxes current? () YES () NO
If not, amount past due: \$ _____
Have any improvements, changes, or additions been made to the property in the last two (2) years? () YES () NO
If yes, please explain: _____

Purchase Price : _____ (If purchased
in the last 3 years.)

Have you taken a Reverse Mortgage on this property () YES () NO
If yes, please explain: _____

ASSET INFORMATION

Do you have an ownership interest in any other real estate (including ownership via partnerships, corporation etc?) in Michigan or anywhere else? () YES () NO
If yes, please list (attach additional sheet if needed).

<u>LOCATION</u>	<u>VALUE</u>	<u>TYPE OF USE</u>	<u>PURCHASE DATE</u>	<u>PURCHASE PRICE</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

What are your assets in addition to real estate? \$ _____
Cash \$ _____
Savings Accounts/CD's or Money Markets \$ _____
Checking Accounts \$ _____
Stocks/Bonds/Treasury bills \$ _____
Investments \$ _____
Other (i.e. gems, jewelry, coin collections, antique car, etc., held as an investment.) \$ _____

Vehicles: Cars, Trucks, Boats, Trailers, etc.

	#1	#2	#3
MAKE			
MODEL			
YEAR			
VALUE OR LEASE			
BALANCED OWED			

(INCOME INFORMATION)

ESTIMATED HOUSEHOLD INCOME

SOURCE	AMOUNT PER YEAR
Wages, Salaries, Tips, Sick, Strike, and Sub-Pay, Etc.	
Social Security/SSI	
Retirement Pension or Annuity Benefits (Includes Military Retirement Pay)	
Interest and/or Dividends (Includes Non-Taxable Interest)	
Rent/ Business or Royalty Income	
Disability Payments (Worker Comp. Veterans Disability, Pension Benefits)	
ADC, SFA, SDA, RAP/REP (Attach a Copy of DSS Annual Statement)	
Alimony	
Child Support	
Unemployment Benefits	
OTHER NONTAXABLE INCOME (MILITARY FAMILY ALLOTMENTS, COLLEGE SCHOLARSHIPS, GRANTS, FELLOWSHIPS, ETC.)	
Less Amount YOU PAY for Medical Insurance or Medical Cost, (provide documentation)	
YOUR TOTAL INCOME	
ADD INCOME FOR ALL MEMBERS OF HOUSEHOLD (not claimed as dependents) AS SHOWN ON FIRST PAGE OF APPLICATION	
TOTAL PROJECTED HOUSEHOLD INCOME FOR:	

I declare under the penalties of perjury, that all of the information submitted in my application for hardship exemption is true.

I/We understand that the statements contained in this application are true to the best of my/our knowledge. I/We also understand that this application will be denied or revoked if the information contained is found to be false or incomplete.

Applicant Signature _____

Spouse Signature _____

Date _____

IF A HARDSHIP EXEMPTION IS GRANTED, IT WILL BE IN EFFECT FOR THE CURRENT YEAR ONLY.

FEDERAL POVERTY INCOME STANDARDS FOR 2021 ASSESSMENTS

Size of family unit poverty guidelines:

1-	\$12,760
2-	\$17,240
3-	\$21,720
4-	\$26,200
5-	\$30,680
6-	\$35,160
7-	\$39,640
8-	\$44,120

ATTACHEMENTS REQUIRED

- Copy of Deed or Land Contract showing Ownership of homestead
- Michigan Income Tax Return, including Homestead Property Tax Credit Claim [MI 1041 CR-1 (Senior) or CR-4 (General)]
- Federal Income Tax Return (1040), if you are required to file federal income.
- W-2 forms or 1099 forms pertaining to tax forms presented.
- Michigan Driver License or state identification card for identification.

Additional comments:

Poverty exemption denials can be appealed to the Michigan Tax Tribunal.

INSTRUCTIONS FOR HARDSHIP REDUCTION CITY OF IRONWOOD

The 2020 Application for One Year Hardship Reduction has been modified to be in keeping with the requirements of the State of Michigan with regard to poverty exemptions. To be considered for a hardship reduction, the following information must be provided:

1. **COMPLETE ALL SECTIONS** OF THIS APPLICATION IN FULL: BE SURE TO SIGN THE APPLICATION

2. Submit a completed and signed copy of the following:
2019 Michigan Homestead Property Tax Credit Claim (MI 1040 CR)
2019 Income Tax Return, both Federal and Michigan for all persons residing in the Home or listed on the deed to the property.

3. If an occupant of your home is not employed but has income from another source, you must show the income in "Annual Income" on page 1 of your application. It must also be on page 3 under the "20120 Estimated Household Income" section and included in Total Projected Household Income for 2020.

4. If you completed the section on page one of the application indicating you have major or unusual out-of-pocket expenses, you must provide copies of documents verifying these expenses. This does not include everyday living expenses.

5. The application must be legible. If you need or want to provide additional information, please attach a separate sheet. Do not write in the margins of the application.

6. Do not submit originals of supporting documentation as we must keep these for our records and cannot return them.

7. If the application is incomplete or you do not include copies of the required financial documents, it may be considered ineligible for a hardship reduction.

GUIDELINES FOR POVERTY EXEMPTION (M.C.L. 211.77U) FOR THE CITY OF IRONWOOD, M1 49938

1. The applicant must appeal personally, by appointment, in writing, or through an agent authorized in writing by the property owner.
2. The applicant shall complete the hardship petition form in advance of the hearing date, including a copy of the current or prior year Income Tax Returns, both Federal and Michigan, for all persons residing in the home or listed as an owner on the deed. This must include the MI1040 CR showing the homestead Property Tax Credit. Any additional information to be presented to the Board must be in writing and attached to the petition.
3. Any relief granted is a reduction over and above the \$1200 maximum Homestead Property Tax Credit granted by the State of Michigan.
4. All applications must be RECEIVED by the Assessor's office after January 1, but one day before the final published session of the Board of Review.
5. All applications shall be processed by the Assessor's office to calculate the percentage of Household Income consumed by property taxes. A hardship situation does not exist when property taxes do not exceed 5% of the household/owner adjusted income.
6. The Board of Review may require a driver's license, deed, or any form of documentation necessary for verification.
7. An explanation will be required for all household members over the age of eighteen who are not cited as contributing to the household income.
8. The property being appealed must be the applicant's Homestead (Principle Residence).
9. Poverty reductions shall not be given to the same household for more than five (5) consecutive years, or until the applicant has reached age 65, at which time the five (5) year time limitation is removed.
10. In order to qualify for consideration for a Hardship Exemption, petitioners must qualify under the most current Federal poverty guidelines as determined annually by the United States Department of Health and Human Services. The figures listed below represent the most that could have been earned by all household members in order to qualify for a Hardship Exemption at the March, July or December Boards of Review. The Board of Review may choose to waive these income requirements if a hardship applicant has experienced a recent significant change in their household income and may grant a partial exemption.

<u>Household Members</u>	<u>Income</u>	<u>Household Members</u>	<u>Income</u>
1	\$12,760	5	\$30,680
2	\$17,240	6	\$35,160
3	\$21,720	7	\$39,640
4	\$26,200	8	\$44,120

11. POVERTY REDUCTIONS ARE ALSO LIMITED BY:

- A. A property value of \$100,000. (50,000 S.E.V.)
- B. \$25,000 in liquid assets (savings, CD's, etc.)
- C. Real estate holding of Principal Residence only

12. An Asset test will be performed to determine the resources available: cash, fixed assets or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. The claimants should provide a list of all assets on the application when applying for a poverty exemption.

FOR ANY DEVIATION FROM THESE GUIDELINES:

- 1. The applicant must provide any additional documentation requested by the Assessor or Board of Review.
- 2. The five Member Board of Review shall consider all requests and make a final decision.
- 3. The Board of Review must record in writing their reasons for the deviation from the guidelines.

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

#021-001

CITY OF IRONWOOD

GUIDELINE RESOLUTION FOR POVERTY EXEMPTION

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Commission; and

WHEREAS, the principal residence of persons, who the Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the City of Ironwood, Gogebic County adopts the following guidelines for the Board of Review to implement. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year.

To be eligible, a person shall do all the following on an annual basis:

1. The applicant must appeal personally, by appointment, in writing, or through an agent authorized in writing by the property owner.
2. The applicant shall complete the hardship petition form in advance of the hearing date, including a copy of the current or prior year Income Tax Returns, both Federal and Michigan, for all persons residing in the home or listed as an owner on the deed. This must include the MI1040 CR showing the homestead Property Tax Credit. Any additional information to be presented to the Board must be in writing and attached to the petition.
3. Any relief granted is a reduction over and above the \$1200 maximum Homestead Property Tax Credit granted by the State of Michigan.
4. All applications must be RECEIVED by the Assessor's office after January 1, but one day before the final published session of the Board of Review.
5. All applications shall be processed by the Assessor's office to calculate the percentage of Household Income consumed by property taxes. A hardship situation does not exist when property taxes do not exceed 5% of the household/owner adjusted income.
6. The Board of Review may require a driver's license, deed, or any form of documentation necessary for verification.
7. An explanation will be required for all household members over the age of eighteen who are not cited as contributing to the household income.
8. The property being appealed must be the applicant's Homestead (Principle Residence).

9. Poverty reductions shall not be given to the same household for more than five (5) consecutive years, or until the applicant has reached age 65, at which time the five (5) year time limitation is removed.
10. In order to qualify for consideration for a Hardship Exemption, petitioners must qualify under the most current Federal poverty guidelines as determined annually by the United States Department of Health and Human Services. The figures listed below represent the most that could have been earned by all household members in order to qualify for a Hardship Exemption at the March, July or December Boards of Review. The Board of Review may choose to waive these income requirements if a hardship applicant has experienced a recent significant change in their household income and may grant a partial exemption.

The following are the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines for 2020 Assessments

<u>Number of Persons Residing in the Principal Residence</u>	<u>Poverty Guidelines Annual allowable income</u>
1 person	\$ 12,760
2 persons	\$ 17,240
3 persons	\$ 21,720
4 persons	\$ 26,200
5 persons	\$ 30,680
6 persons	\$ 35,160
7 persons	\$ 39,640
8 persons	\$ 44,120
Each additional person, add	\$ 4,480

11. An Asset test will be performed to determine the resources available: cash, fixed assets or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. The claimants should provide a list of all assets on the application when applying for a poverty exemption.

POVERTY REDUCTIONS ARE ALSO LIMITED BY:

- A. A property value of \$100,000. (50,000 S.E.V.)
- B. \$25,000 in liquid assets (savings, CD's, etc.)
- C. Real estate holding of Principal Residence only

NOW, THEREFORE, BE IT HEREBY RESOLVED that the assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the assessor and Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

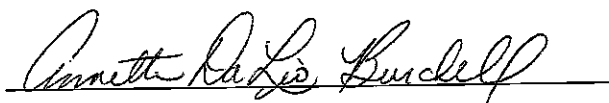
The foregoing resolution offered by Corcoran and supported by Cayer.

Upon roll call vote, the following voted:

Yes: Commissioner Corcoran, Cayer, Mildren, Semo, and Mayor Burchell.

No: None.

Absent: None.



Annette Da Lio-Burchell, Mayor

STATE OF MICHIGAN)
) SS
GOGEBIC COUNTY)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Ironwood City Commission, County of Gogebic, State of Michigan, at a regular meeting held on January 11, 2021 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Act of Michigan, 1967, and that the minutes of said meeting were kept and will be or have been made available as required by said act.


Karen M. Gullan, City Clerk