

## **INSTRUCTIONS FOR HARDSHIP REDUCTION CITY OF IRONWOOD**

The 2024 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:  
Michigan Homestead Property Tax Credit Claim (MI 1040 CR)  
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 "Estimated Household Income" section and included in Total Projected Household Income for the year.
  
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 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. 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.

<b>Household Members</b>	<b>Income</b>	<b>Household Members</b>	<b>Income</b>
1	\$15,060	5	\$36,580
2	\$20,440	6	\$41,960
3	\$25,820	7	\$47,340
4	\$31,200	8	\$52,720

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

**FOR ANY DEVIATION FROM THESE GUIDELINES:**

- 1. The applicant must provide any additional documentation requested by the Assessor or Board of Review.
- 2. The 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.