POVERTY EXEMPTION APPLICATION/INFORMATION

Persons on a fixed or limited income may be eligible for a reduction in property taxes due to poverty.

State law requires that all asset and income tests must be met and you will need to supply supporting documentation for each.

The application for Poverty Exemption must be completed, in full, and submitted to the Board of Review (via the Novi Assessing Department). It must include information regarding ***all persons*** residing within the household, whether or not they own the property, and contain supporting documentation. including:

- the prior two (2) years' tax returns,
- the three (3) most recent bank statements for every bank account,
- current IRA/401K statements (retirement accounts),
- current food stamp/bridge card amounts,
- current Social Security benefits,
- unemployment compensation,
- 1099s/transaction history from PayPal, Venmo, Cash App, and Apple Cash, and the like,
- contributions/compensation from family/friends/side businesses,
- and all other required documentation (see application)

Be prepared to provide additional supporting documentation at the request of the Board of Review to verify income/expenses/assets. Poverty reduction is not a permanent change to your assessment; it must be applied for **annually** and approved by the Board of Review.

Be sure to fully read through the City of Novi's Poverty Exemption ordinance prior to filling out and returning your Poverty Exemption Application. By fully reading the ordinance, it will cut down or eliminate the need for us to follow up with you requesting additional documentation.

If you have any questions, you can contact the City of Novi Assessing Department by phone at **248-347-0485** or by email at **NoviAssessing@CityofNovi.org.** Your application and supporting documentation can be mailed to or dropped off at:

Assessing Department
45175 Ten Mile Road
Novi, MI 48375

Thank you.

Sincerely,

The Board of Review

U.S Federal Poverty Guidelines

FOR 2026 TAX YEAR:		
Size of Family Unit	**Federal Poverty Guidelines**	**City of Novi 2X Federal Guidelines**
1	$15,650	**$31,300**
2	$21,150	**$42,300**
3	$26,650	**$53,300**
4	$32,150	**$64,300**
5	$37,650	**$75,300**
6	$43,150	**$86,300**
7	$48,650	**$97,300**
8	$54,150	**$108,300**
For each additional person add…	$5,500	**$11,000**

Per the Office of the Assistant Secretary for Planning and Evaluation
U.S. Department of Health and Human Services

https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines

Reset Form

Application and Affirmation for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township where the property is located in each year on or after January 1 but before the day prior to the last day of the board of review. Poverty Exemptions may be heard by the Board of Review during its March, July, and December sessions.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.

Petitioner's Name			Daytime Phone Number
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents
Property Address of Principal Residence		City	State / ZIP Code

PART 2: REAL ESTATE INFORMATION

List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.

Property Parcel Identification Number		Name of Mortgage Company
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence
Property Description		

PART 3: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)

☐ I own the property in which the exemption is being claimed.

☐ The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.

PART 4: ADDITIONAL PROPERTY INFORMATION

List information related to any other property owned by you or any member residing in the household.

☐ Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property
1	Property Address	City	State / ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid / Amount of Taxes Paid
2	Property Address	City	State / ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid / Amount of Taxes Paid

Continue on Page 2

PART 5: EMPLOYMENT INFORMATION — List your current employment information.

Name of Employer			
Address of Employer	City	State	ZIP Code
Contact Person	Employer Telephone Number		

PART 6: INCOME SOURCES

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

Source of Income	Monthly or Annual Income (indicate which)

PART 7: CHECKING, SAVINGS AND INVESTMENT INFORMATION

List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.

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

PART 8: LIFE INSURANCE — List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

PART 9: MOTOR VEHICLE INFORMATION

All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

Continue on Page 3

PART 10: HOUSEHOLD OCCUPANTS — List all persons living in the household.

First and Last Name	Age	Relationship to Applicant	Place of Employment	$ Contribution to Family Income

PART 11: PERSONAL DEBT — List all personal debt for all household members.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 12: MONTHLY EXPENSE INFORMATION

The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance

Garbage	Daycare	Car Expense (gas, repair, etc.)
Other (type and amount)	Other (type and amount)	Other (type and amount)
Other (type and amount)	Other (type and amount)	Other (type and amount)

Continue and sign on Page 4

NOTICE: Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

PART 13: POLICY AND GUIDELINES ACKNOWLEDGMENT

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

☐ The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 14: LEGAL DESIGNEE INFORMATION (Complete if applicable.)

Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code

PART 15: CERTIFICATION

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.

Printed Name	Signature	Date

This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 30 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
PO Box 30232
Lansing MI 48909

Phone: 517-335-9760
Email: taxtrib@michigan.gov

Michigan Department of Treasury
4988 (05-12)

Reset Form

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

Sec. 2-193. Poverty exemption.

(Ord. 19-156.03, Pt. I, 3-5-19)

Sec. 2-193.1. Application for exemption.

(a) All persons seeking a poverty exemption pursuant to MCL 211.7u shall file an application for exemption with the City of Novi Board of Review. Application for poverty exemption forms shall be in the form approved by the State of Michigan.

(b) Applications for poverty exemption forms must be obtained from the city assessor's office.

(c) All applications for poverty exemption shall be for the current year only and must be filed with the city assessor's office after January 1.

(d) All applications for poverty exemption shall be completely and correctly filled out, dated and signed by the applicant. All applications for poverty exemption filed with the board of review shall be accompanied by all documents and information required by section 2-193.2.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21)

Sec. 2-193.2. Eligibility requirements for poverty exemption.

To be eligible for a poverty exemption pursuant to MCL 211.7u, a person shall, for each year an exemption is sought:

(1) Be an owner of and occupy as a principal residence as defined by MCL 211.7dd(c) as amended the property for which a poverty exemption is requested.

(2) Complete, sign, date and file an application provided by the city assessor for poverty exemption with the City of Novi Board of Review.

(3) Submit the following with the application for poverty exemption:

a. The federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year, or in the current year; and

b. A copy of a deed, land contract or other evidence of ownership of the property for which a poverty exemption is requested.

c. Any other documents required by the application.

(4) Produce a valid driver's license or other form of identification if requested to do so by the city assessor or the board of review.

(5) Have a total household income for the prior calendar year, for all persons who reside in the principal residence property for which a poverty exemption is sought, that does not exceed two (2) times the Federal Poverty Guidelines updated annually in the Federal Register by the United States Department of Health and Human Services.

(6) Have total assets not exceeding the amounts prescribed by section 2-193.7.

(7) The application shall be filed after January 1.

(Ord. No. 95-156, Pt. I, 3-6-84; Ord. No. 03-156-02, Pt. I, 3-3-03; Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21)

Sec. 2-193.3. Income defined.

Income shall include, but not be limited to, the following:

(1) Gross wages and salaries, including those amounts deferred as pre-tax deductions under applicable federal statutes.

(2) Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.

(3) Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses.

(4) Any payments from social security, railroad retirements, unemployment compensation, strike benefits from union funds, workers compensation, veterans payments, public assistance (including aid to families with dependent children, supplemental security income, emergency assistance money payments and non-federally funded general assistance or general relief money payments).

(5) Alimony, child support and military family allotments or other regular support from an absent family member or someone not living in the household.

(6) Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.

(7) College or university scholarships, grants, fellowships and assistantships.

(8) Dividends, interest, net rental income, net royalties, periodic receipts, or payments of any kind from estates or trusts, and net gambling or lottery winnings.

(9) Payments made by any entity to a third party on behalf, or for the benefit, of the person(s) in the household.

(10) Money received from the sale of property, including, but not limited to stocks, bonds, real property, and vehicles.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. No. 03-156.02, Pt. I, 3-3-03; Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21)

Sec. 2-193.4. Board of review may require claimant's presence.

The board of review may consider a poverty exemption application without the claimant being present. However, the board may require that any or all claimants be physically present at a meeting of the board of review to respond to any questions of the board of review.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21)

Sec. 2-193.5. Reserved.

Editor's note(s)—Ord. No. 21-156.04 , Pt. I, adopted July 12, 2021, amended §§ 2-193.1—2-193.6. In doing so, and at the direction of the city, § 193.5, which pertained to additional factors for granting an exemption and derived from Ord. No. 95-156, Pt. I, adopted March 6, 1995; Ord. No. 95-156.01, Pt. I, adopted March 9,

1995; Ord. No. 03-156.02, Pt. I, adopted March 3, 2003; and Ord. 19-156.03 , Pt. I, adopted March 5, 2019, was repealed.

Sec. 2-193.6. Guidelines to be uniformly applied.

The board of review shall uniformly apply the provisions of this chapter, to each applicant for a poverty exemption and so that a twenty-five (25) percent, fifty (50) percent or one hundred (100) percent exemption is granted.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. No. 03-156.02, Pt. I, 3-3-03; Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21; Ord. No. 22-156.05 , Pt. I, 3-14-22)

Editor's note(s)—Ord. No. 22-156.05 , Pt. I, adopted March 14, 2022, amended § 2-193.6 and in doing so changed the title of said section from "Guidelines to be uniformly applied; exceptions" to "Guidelines to be uniformly applied," as set out herein.

Sec. 2-193.7. Asset test

(a) The following asset tests shall be applied to determine qualification for poverty exemption:

(1) The applicant/owner shall not have "liquid" assets (excluding the value of the principal residence subject to the exemption request) in excess of two (2) times the amount of the estimated tax obligation of the current assessment; and/or

(2) The applicant/owner shall not have total assets (excluding the value of the principal residence subject to the exemption request) in excess of ten (10) times the amount of the estimated tax obligation of the current assessment.

(b) All asset information, as requested in the application for poverty exemption must be completed in total. The board of review may request additional information and verification of assets if they determine it to be necessary and may reject any application if the assets are not properly identified.

(c) Liquid assets may include, but are not limited to: bank accounts, stocks and bonds, investment and/or brokerage accounts, IRAs and other retirement savings accounts (e.g. 401k accounts), pensions, and money received from the sale of property such as stocks, bonds, or real property.

(d) Total assets may include, but are not necessarily limited to: all liquid assets as described in (c) above, other real property including, but not limited to: a second home, excess or vacant land, rental property, and commercial properties; vehicles including recreational vehicles (snowmobiles, boats, camping trailers, travel trailers, motor homes, jet skis, motorcycles, off-road vehicles, or anything else which may be considered a recreational vehicle); buildings other than the principal residence; equipment; and other personal property.

(Ord. 19-156.03 , Pt. I, 3-5-19; Ord. No. 21-156.04 , Pt. I, 7-12-21)

Secs. 2-194—2-200. Reserved.