

# CITY OF DEARBORN

*Home Town of Henry Ford*

## DEPARTMENT OF ASSESSMENT

### 2024 POVERTY EXEMPTION GUIDELINES

The City of Dearborn Board of Review is permitted under State of Michigan law to review the property assessments of certain homesteads when the property owners claim poverty. The Board of Review must follow city council approved guidelines; per Council Resolution No. CR# **1-44-23** dated **1/24/2023** and have certain information from each taxpayer who is applying for the poverty exemption in order to make a fair and informed decision.

**Your application must be complete and signed. All required documents must be turned in with your application for consideration. All information is subject to verification. *Notice:* Any willful misstatements or misrepresentations made on this application may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.**

1. The property **MUST** be the applicant's principal residence (homestead).
2. **Maximum household income levels are as follows:**

Family of 1	\$20,385
Family of 2	\$27,465
Family of 3	\$34,545
Family of 4	\$41,625
Family of 5	\$48,705
Family of 6	\$55,785
Family of 7	\$62,865
Family of 8*	\$69,945
*For each additional person, add	\$ 7,080
3. A written letter of explanation stating the reason any household member over the age of 18 is unable to contribute to the household income. (Part-Time employment by minors or other household members, used to defray education or other personal expenses, is deemed to be part of the total household income.)
4. A written letter of explanation is required if expenses (not including property taxes) nearly equals or exceeds the stated income.
5. Total assets of the entire household, excluding homestead, cannot exceed \$30,000
6. Applicant may not have ownership interest in any real estate other than the homestead.
7. Annual taxable and non-taxable interest/dividend income must be less than \$1,250.
8. If you qualify for the Poverty Exemption, your taxable value will be reduced by 50%.

**YOU ARE REQUIRED TO INCLUDE THE FOLLOWING DOCUMENTS:**

- A Deed, Land Contract, or other evidence, in the name of the applicant/applicants, for the residence listed, if not already on file with the Assessor's office (i.e., proof of ownership).
- Valid Drivers License or other form of identification for **ALL persons** residing in the homestead.
- Social Security cards of **ALL persons** residing in the homestead.
- The following tax information must be submitted for **ALL applicable persons** residing in the homestead:
  - A. Copy of *completed* and *signed* 2023 Federal Income Tax Return, **MUST** include:
    - a. Proof of gross annual income from all sources.
    - b. W-2 Form, if applicable
    - c. Itemized Deduction – Schedule A, if applicable
  - B. Copy of *completed* and *signed* 2023 Michigan Income Tax Return, **MUST** include:
    - a. Homestead Property Credit Form - MI 1040CR
    - b. Proof of gross annual income from **ALL** sources.
- Completed and signed Poverty Exemption Affidavit (MI Dept of Treasury form 4988), if applicable.
- Current pay stub submitted for **ALL persons** residing in the homestead.
- Current proof of Social Security, SSI, State Assistance or Food Stamps, if applicable.
- Last three (3) months bank statements for **ALL persons** residing in the homestead.
- Original Mortgage papers, if applicable. (These papers should be with your closing papers or are available at the Wayne County Register of Deeds.)
- Child Support Statement, if applicable. Written explanation required if eligible but not collecting support payments.
- Copy of paid registration receipt of dependent(s) attending college, if applicable. (Documentation of financial aid is required.)
- Proof of disability, if applicable.

**The City of Dearborn is required to receive and analyze personal household income and expense information needed in the calculation of the potential reduction in assessment by reason of poverty. All applications can be submitted to the City of Dearborn Assessing Department to take to the July or December Boards of Review. To ensure the applications are complete and to account for processing time, please submit as early as possible.**

*You must make an appointment with the Department of Assessment by calling 943-2140 prior to personal appearing before either the **July or December Board of Review**. Additionally, you will be required to have your application and all supporting documents complete before your application will be presented to the Board of Review.*