

CITY OF DEARBORN

Home Town of Henry Ford

DEPARTMENT OF ASSESSMENT

2026 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# **2-74-26** dated **2-10-2026**, and have certain information from each taxpayer who is applying for the poverty exemption to make a fair and informed decision.

To be eligible for exemption by reason of poverty, a person shall do ALL of the following on an annual basis:

1. Application must be completed and signed for eligibility compliance.
(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.)
2. All required documents **MUST** be submitted with the application for exemption consideration.
3. **Federal Poverty Guidelines Used in the Determination of Poverty Exemptions:**

Family of 1	\$15,650
Family of 2	\$21,150
Family of 3	\$26,650
Family of 4	\$32,150
Family of 5	\$37,650
Family of 6	\$43,150
Family of 7	\$48,650
Family of 8*	\$54,150

*For each additional person, add \$ 5,500

The above guideline amounts must include income from **all sources** and from **all occupants** of the household. Income includes:

- Money, wages and salaries before deductions.
- Regular payments for social security, retirement, unemployment and worker's compensation, veteran's payments and public assistance.
- Gifts, loans, contributions by all persons, whether living in the household or not.
- Alimony, child support, and military family allotments.
Private pensions, governmental pensions, regular insurance or annuity payments, and inheritance payments.

4. 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.)
5. A written letter of explanation is required if expenses (not including property taxes) nearly equal or exceed the stated income.
6. Total assets of the entire household, excluding homestead, cannot exceed \$30,000
7. Applicant may not have ownership interest in any real estate other than the homestead.
8. Annual taxable and non-taxable interest/dividend income must be less than \$1,250.
9. If you qualify for the Poverty Exemption, your taxable value will be reduced by 50%.
10. The Board of Review may deny any appeal, regardless of income, if the financial hardship appears to be self-created by the actions of the person or persons making the application. The Board of Review shall also reject any application where the information contained in it appears fraudulent, misleading, or incomplete. An application is considered incomplete when the required supporting documents and information is not included with the application.

Common Reasons for Denial of Poverty Exemption Application

Below are common reasons (but not an exhaustive list) of why a claim for Poverty Exemption is denied:

- Failure to fill out all areas of the application, including “N/A” in areas not applicable to the applicant or not signing the application.
- Failure to include State and Federal Income taxes or property tax credit returns for all persons residing in the home. ***Property tax credit returns (such as Michigan 1040CR) can still be filed with the State of Michigan even if the applicant does not file income taxes.***
- Failure to include complete banking/investment account and mortgage statements for all persons residing in the home. All pages must be submitted.
- Expenses equal to or exceeding income without a valid explanation.

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 will 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 if you wish to personally appear 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.*

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** 2024 (Personal & Business) 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** 2024 (Personal & Business) 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. (Personal and Business Accounts.)
- 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.
- Applicants **MUST** provide a copy of their credit report which can be acquired for free at www.AnnualCreditReport.com. Federal Law allows you to get a free credit report from these three credit reporting companies, Equifax, Experian and TransUnion. Please see attached web site information. **FOR ALL ADULTS IN THE HOME.**

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- Reviewing credit reports helps you catch signs of identity theft early.

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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.)				
<input type="checkbox"/> I own the property in which the exemption is being claimed.				
<input type="checkbox"/> 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.				
<input type="checkbox"/> 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

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
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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

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