



OFFICE USE ONLY (Date Stamp)

City of Rochester

2026

# Poverty/Hardship Exemption Application

OFFICE USE ONLY

NAME:

PARCEL NUMBER:



## City of Rochester

---

400 Sixth Street

Rochester, MI 48307

P: (248) 733-3700

### **PROCEDURE & PROCESS FOR GRANTING HARDSHIP EXEMPTIONS**

#### **General Overview**

The City of Rochester recognizes the need to have available a procedure by which residents in need of assistance under MCL 211.7u can make an application for property tax relief to the Board of Review. The Board recognizes that pursuant to statute and case law, they must adhere to procedures and guidelines, approved by City Council, to be used as standards when considering appeals made based on financial hardship. The Board of Review has been given exclusive statutory jurisdiction over the granting of property tax relief due to poverty.

Once an Application for Tax Exemption is completed and returned to the Clerk's Office, it will be reviewed, and submitted to the Board of Review to be considered for tax relief.

**Meetings-** Meetings of the Board of Review and Assessor relative to hardship exemption applications shall be held in compliance with the Michigan Open Meetings Act.

**Applicant's Presence** - The applicant is not required to attend the Board of Review unless requested to personally (or virtually) appear before the Board to respond to questions the Board or Assessor may have.

**Investigation** - Applicants for exemption may be investigated by the City to verify information submitted or statements made to the Board of Review or Assessor.

## **Application Procedure**

**Basic Filing Requirements** - In order to be considered for exemption under MCL 211.7u each applicant must annually:

1. An applicant or applicants must physically occupy and be the "sole" owner(s) of the property for which the exemption is requested.
2. The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption currently in effect.
3. The applicant or applicants must complete and timely file the Michigan Department of Treasury Form 5737, Application for MCL 211.7u Poverty Exemption. The application with all supporting documentation must be received by the township after January 1st but before the day prior to the last day of the Board of Review session at which the property owner is requesting consideration.
4. Provide federal and state income tax returns for the current or immediately preceding year, including any property tax credits, for all persons residing in the principal residence (disclosure of the income of an owner who is not residing in the principal residence is not required). 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. Instead, Form 4988, Poverty Exemption Affidavit may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current or immediately preceding year.
5. The applicant must supply a copy of a current driver's license or other form of identification.
6. The applicant may be asked to provide a deed, land contract or other evidence of ownership if the Board requests it.
7. The applicant's total household income, cannot exceed one and one half (1 ½) times the poverty income figure, as reported by household size, in the "Federal Poverty Guidelines" updated annually in the Federal Register by the U.S. Department of Health and Human Services. The annual allowable income includes the income for all persons residing in the principal residence.
8. The total value of the assets of the applicant and each member of the applicant's household shall not exceed \$100,000 excluding the property for which the exemption is requested and the principal vehicle BUT including all other property. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, certificates of deposit, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreation vehicles, second homes, cottages or any other saleable real property or other tangible items.

# FEDERAL POVERTY GUIDELINES

US Department of Health & Human  
Services STC Bulletin 17 of 2025

Size of Family Unit	Poverty Guidelines	1.5x Guidelines
1	\$15,650	\$23,475
2	\$21,150	\$31,725
3	\$26,650	\$39,975
4	\$32,150	\$48,225
5	\$37,650	\$56,475
6	\$43,150	\$64,725
7	\$48,650	\$72,975
8	\$54,150	\$81,225
For each additional person	\$5,500	\$8,250

**Granting Exemption** – If the Board determines that an applicant:

- A. Does not have income in excess of one and one half (1 1/2) times the federal poverty guidelines for the applicable family unit size.
- B. Does not have assets in excess of \$100,000.

Then, the Board of Review may grant a hardship exemption at a rate of 50% of their current taxable value.

The total value of the assets of the applicant and each member of the applicant's household shall not exceed a combined \$100,000.

- A. Gifts, inheritances, one-time payouts from insurance companies, income tax refunds and money received from the sale of property, such as stocks, bonds, house, car, (unless the applicant or a member of the applicant's household is in the business of selling such property), shall be included as assets of the applicant and /or members of the applicant's household.

Income shall include, but not be limited to, the following for each member of the household:

1. Money wages and salaries before any deductions;
2. Net receipts from self-employment;
3. Distributions or income from partnerships, limited liabilities companies, or corporations, whether or not taxable;
4. Tax exempt income received including, but not limited to, interest income, disability income, social security or SSI.;
5. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, workers compensation, veteran's payments or any type of public assistance;
6. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
7. Private pensions, government employee pensions (including military retirement pay), regular insurance or annuity payments;
8. College or university scholarships, grants or fellowships;
9. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, net lottery winnings and net gambling winnings; and
10. Payments made to a third party to or for the benefit of the applicant or a member of the applicant's household.

Income shall not include any of the following:

1. Money received from the sale of property, such as stocks, bonds, house, car, unless the applicant or a member of the applicant's household is in the business of selling such property;
2. Withdrawals of bank deposits;
3. Borrowed monies;
4. Income tax refunds;
5. One-time payouts from insurance companies;
6. Losses including, but not limited to, capital losses or business losses.
7. Gifts and/or inheritances, unless the purpose of such gift and/or inheritance, as determined by the Board of Review, is to assist in the support of the applicant or the applicant's household.

## POVERTY APPLICATION CHECK LIST

Applications may be filed with this office beginning January 1, but in no event later than the day prior to the last day of the Board of Review.

**With this application you will need to submit last year's copies of the following applicable documents for yourself, the co-owner, and every member of the household.**

- Completed Signed Poverty Exemption Application.
- Most recent year copy of Federal Income Tax Return – 1040 or 1040A for all persons residing in the home. (Please include supporting documents i.e. W-2 Forms, 1099 Forms)
- Most recent year copy of State of Michigan Income Tax Returns for all persons residing in the home.
- Copy of filed Michigan Homestead Property Tax Credit Claim MI-1040-CR.
- If applicant did not file Michigan State Income Tax Return, they MUST provide an annual statement of benefits paid from the Social Security Administration or Michigan Department of Social Services and MUST sign the State of Michigan Form 4988 Poverty Exemption Affidavit (attached).
- The applicant must supply a copy of current driver's license or other form of valid identification.
- If requested, the applicant must provide a deed, land contract or other evidence of ownership of the property they are claiming the poverty exemption for.

## 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.

<b>PART 1: PERSONAL INFORMATION</b> — 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
<b>PART 2: REAL ESTATE INFORMATION</b>				
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				
<b>PART 3: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS</b> (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.				
<b>PART 4: ADDITIONAL PROPERTY INFORMATION</b>				
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

**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)	

**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](mailto: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