

MCL 211.7u Poverty Exemption Taxpayer Fact Sheet

[MCL 211.7u](#) provides for a property tax exemption, in whole or part, for the principal residence of persons who, by reason of poverty, are unable to contribute to the public charges. For purposes of the poverty exemption, the term “principal residence” means how principal residence exemption and qualified agricultural property are defined in MCL 211.7dd. The exemption does not apply to property of a corporation. This Taxpayer Fact Sheet includes updates made to MCL 211.7u by Public Act 253 of 2020.

How To Apply For The Poverty Exemption

To request a poverty exemption, a taxpayer must file:

1. Form 5737 *Application for MCL 211.7u Poverty Exemption*
2. Form 5739 *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*
3. All required additional documentation (such as federal/state income tax returns)

Forms 5737 and 5739, along with any additional documentation, must be filed with the local assessing unit where the property is located. **Do not file these forms with the Department of Treasury or the State Tax Commission.** The forms may be submitted to the local assessing unit on or after January 1 but before the day prior to the last day of the December Board of Review during the year in which the exemption is requested.

Taxpayers should contact the local assessing unit directly to verify deadline dates for submission of the forms to ensure the application gets reviewed by a Board of Review during that calendar year.

In addition to filing Forms 5737 and 5739 and any supporting documentation, a taxpayer must do all the following to be eligible for the poverty exemption:

1. Own and occupy the property as a principal residence.
2. 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.

Application 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 the property is located in each year on or after January 1.

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
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit		
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 Code Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
PART 3: 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

PART 9: 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 10: PERSONAL DEBT — List all personal debt for all household members.					
Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 11: 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)	

Request For Approval of Percentage Reduction in Taxable Value For Poverty Exemptions Under MCL 211.7u

This form is issued under the authority of Public Act 253 of 2020.

This form is to be completed by any local assessing unit requesting to utilize a percentage reduction in taxable value for exemptions granted under MCL 211.7u other than the taxable value reductions permitted by MCL 211.7u(5)(a) and (b)(i). MCL 211.7u(5)(b)(ii) provides that the board of review may grant the poverty exemption, in whole or in part, for any other percentage reduction in taxable value for the tax year in which the exemption is granted, applied in a form and manner prescribed by the State Tax Commission. The local assessing unit is required to complete this form in its entirety and submit to the State Tax Commission for review and approval prior to applying any other percentage reduction in taxable value other than what is permitted in statute.

All parts below must be completed.

PART 1: LOCAL ASSESSING UNIT INFORMATION			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township		County	
City or Township Mailing Address	City	State	ZIP Code
PART 2: PERCENTAGE REDUCTION(S) IN TAXABLE VALUE REQUESTED			
List all requested percentage reductions below:			
PART 3: EXPLANATION OF HOW PERCENTAGE REDUCTION WILL BE CALCULATED AND APPLIED			
Provide an explanation of how the percentage reduction(s) in taxable value will be calculated and applied by the local assessing unit. Attach additional pages if necessary:			
PART 4: CERTIFICATION			
We certify to the best of our knowledge, that the information contained in this form is complete and accurate and that we are authorized to represent the city or township named in this form. We understand that a request for a percentage reduction in taxable value other than what is prescribed in statute must be submitted to and approved by the State Tax Commission prior to use of any other percentage reduction in taxable value by the local assessing unit in granting exemptions under MCL 211.7u.			
City or Township Clerk Name (print)		City or Township Clerk Signature	
Assessing Officer Name (print)		Assessing Officer Signature	

Mail completed form and any attachments to: State Tax Commission, PO Box 30471, Lansing MI 48909;
or e-mail to State-Tax-Commission@michigan.gov

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION — Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County	
Name of Local School District			
Parcel Identification Number		Year(s) Exemption Previously Granted by Board of Review	
Homestead Property Address	City	State	ZIP Code
PART 4: 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. <input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)		Signature of Owner or Legal Designee	Date
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax Year(s) exemption will be posted to tax roll	
CERTIFICATION — I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	

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