

## CITY OF LUDINGTON

### GUIDELINES FOR THE REVIEW OF APPLICATIONS FOR PROPERTY EXEMPTION BY REASON OF POVERTY

1. Exemptions by reason of poverty are to be granted solely at the discretion of the City Assessor and Board of Review.
2. An applicant for a poverty exemption must file a sworn statement annually specifying all household:

income, assets, and expenses

for the year ending December 31 (Tax Day), and be prepared to answer questions regarding changes in circumstances since Tax Day when posed by the Assessor and Board of Review. The sworn statement shall be on a form provided by the City of Ludington for this purpose. The applicant will be required to appear in person or by representative before the Board of Review during its March hearings.

3. An applicant may be required to provide such documents as may support his/her sworn statement, including (but not limited to) income tax filings, bank statements, proof of employment or unemployment, statement of wages, doctor's statement, invoices, etc. The Assessor and/or Board of Review shall make such requests as needed to ascertain the financial situation of the applicant.
4. Consideration for a poverty exemption shall be given to a taxpayer's homestead where one or more of the following conditions has resulted in hardship:
  - A. Unforeseen prolonged cessation of income due to circumstances beyond the applicant's control.
  - B. Trauma or critical illness of applicant or immediate family with excessive unreimbursed financial liabilities.
  - C. Catastrophic loss.
  - D. Other extenuating circumstances which are agreed to by the Assessor and Board of Review as a legitimate hardship over which the applicant could have no control.
5. The amount of exemption to be granted shall be determined based upon the following guidelines:
  - A. No exemption shall result in a tax liability less than the refund to which the applicant is eligible under the Homestead Property Tax Credit, being P.A. 281 of 1967.
  - B. It is expected that a tax liability of approximately four percent (4%) of household income will be considered to have provided a sufficient exemption in most cases.

GUIDELINES (cont.)

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- C. It is expected that any applicant granted a poverty exemption will make every effort to alleviate the problem resulting in hardship before the next Board of Review. A subsequent year of exemption by reason of poverty shall be considered only upon convincing evidence that the applicant has made substantial efforts to increase income, decrease expenses, and/or utilize assets.
- 6. The granting of a property exemption by reason of poverty shall be approved by the Assessor and a majority vote of the Board of Review. In the case of a lack of concurrence between the Assessor and the Board of Review regarding the eligibility of an applicant for a poverty exemption, the exemption shall be denied.
- 7. Changes to these guidelines may be made by the Ludington City Council.

CITY OF LUDINGTON

"DECLARATION OF POVERTY" INSTRUCTIONS

General Instructions: Please type or print in ink.

Answer all questions as fully as possible. Additional information may be included on additional sheets as necessary. Supporting material should also be attached if possible. Only information stated will be considered. Questions left unanswered will constitute an improper statement and can be cause for denial.

This declaration must be signed in the presence of a notary public. Failure to do so will constitute an improper statement.

Return the form by \_\_\_\_\_ (date) to:

Assessor's Office  
City of Ludington  
400 S Harrison St.  
Ludington, MI 49431

You must make an appointment to appear before the Board of Review either in person or by representative during the hearings (231-843-2956). The Board of Review and Assessor will then review your statement and either approve or deny your application. Exemptions may be complete or partial. You will be notified by mail of their decision.

The statement will be incorporated as a part of the minutes of the Board of Review. As such, it will be a public document and will remain on file with the City of Ludington permanently.

DECLARATION OF POVERTY  
*For the purpose of relief from property taxes.*

State of Michigan     )  
County of Mason     ) ss.  
City of Ludington    )

\_\_\_\_\_ being first duly sworn deposes and says that he/she is \_\_\_ years of age and is the owner of and resides at \_\_\_\_\_ in the City of Ludington, parcel no. 53-051-\_\_\_\_\_ and that he/she is an indigent person, being unable to meet his/her just share of the cost of government, and makes this application for the purpose of securing relief from ad valorem property taxation for the year 20\_\_\_ for the aforementioned property.

Deponent further states:

1. Marital status: \_\_\_single \_\_\_married \_\_\_divorced \_\_\_separated

2. Dependents:  
Name                      Age    Relationship    Address            Place of employment

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Annual Income: (include wages, interest, dividends, Social Security, pension, Aid for Dependent Children, veteran's benefits and any other). Please itemize.

<u>Source</u>	<u>Amount per Month</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____



6. Liabilities: (include loans, mortgages, debts, etc.)

<u>Mortgage/Loan held by</u>	<u>Balance due</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

7. He or she did/did not file a State of Michigan Homestead Property Tax Credit claim for the last tax year.

If filed, amount of credit: \$ \_\_\_\_\_

8. Other pertinent statements:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I declare that the information in this declaration and attachments is true, correct and complete.

Signed \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public, Mason County, Michigan  
My commission expires \_\_\_\_\_, 20\_\_\_\_.

