

## 2026 Guidelines and Asset Test for Poverty Exemption

### **GUIDELINES AND INSTRUCTIONS FOR POVERTY EXEMPTION**

- If granted an exemption, it is for the *current year only*. The Poverty exemption is intended to be a temporary form of assistance. Per 211.7u(6), City did not adopt the "carry forward" option, petitioner must apply yearly.
- Per, MCL 211.7u(3), the application for consideration must be received by the Assessor's Office at least one day prior to the last session of the Board of Review. *Board of Review dates are posted annually and may also be found at [www.cityofgibraltar.net](http://www.cityofgibraltar.net) or by calling (734) 676-3900 ext. 222.* This application can be made by mail, if received one day prior to the last session of the Board of Review.
- The application must be filled out in its entirety and all requested documentation must be attached. If an area does not apply to the applicant, "N/A" must be used. If the application is not complete or requested documentation is not included, the Board of Review will deny the exemption. All pages included with this application must be returned when the application is submitted for review.
- Per MCL 211.7u(7), a person who files a claim for Poverty exemption IS NOT prohibited from also appealing the assessment on the property to the Board of Review in the same year.

### **Required Documentation to be Attached to Poverty Exemption Application**

- Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence must be included with the application including any property tax credit returns. The tax returns may be from the current or preceding tax year. **If any person in the household is not required to file federal or state tax returns, the included affidavit, form 4988, must be completed by each person that does not file taxes.**
- The most recent statement for all bank accounts, investments, IRAs, CDs, 401Ks, money market, annuities, etc. The statement submitted must be complete with no missing pages and submitted for all persons residing in the home.
- Proof of income/assets from the Social Security Administration, Veterans Administration, Medicare, Medicaid, Bridge Card, and any College/University scholarships for all persons residing in the home.
- The most recent mortgage statement of the primary residence under review, including any reverse mortgages.
- If primary residence being sought for exemption was purchased within the past two years of this application, homeowner's closing statements must be submitted with 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 signing the application.
- Failure to include State and Federal Income taxes or property tax credit returns for current or one preceding year for all persons residing in the home. ***Please note that the property tax credit returns are required to be filed with this application. 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.

## **INCOME GUIDELINES FOR POVERTY EXEMPTION**

*This amount published annually by the US Dept. of Health and Human Services*

*\* Per Michigan State Tax Commission Bulletin number 17 of 2025,  
"Procedural changes for 2026," November 18, 2025"*

<b><u>Number in Family</u></b>	<b><u>Income</u></b>	
1 member	\$ 21,775	-
2 members	\$ 29,471	
3 members	\$ 37,167	
4 members	\$ 44,863	
5 members	\$ 52,559	
6 members	\$ 60,255	
7 members	\$ 67,951	
8 members	\$ 75,647	
For each additional person	\$ 7,696	

**According to the US Census Bureau, "income" includes:**

- Money, wages, and salaries before any deductions
- Net receipts from non-farm self-employment. (These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.)
- Net receipts from farm self-employment. (The same provisions as above for self-employment.)
- Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments and public assistance.
- Alimony, child support, and military family allotments.
- Private pensions, governmental pensions, and regular insurance or annuity payments.
- College or university scholarships, grants, fellowships, and assistantships.
- Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

## **ASSET LEVEL GUIDELINES FOR POVERTY EXEMPTION**

*The Asset Level does not include the primary residence for which exemption is being sought. It does include, but is not limited to:*

- A second home, additional land not associated with the primary residence, or other buildings other than the primary residence being sought for exemption.
- Vehicles and other recreational vehicles such as motor homes, campers, ATVs, boats, and motorcycles.
- Jewelry, antiques, artwork, equipment, and other personal property of value.
- Bank accounts, stocks, bonds, and investments. This also includes the money received from the sale of stocks, bonds, investments, cars, and houses unless a person is in the specific business of selling such property.
- Withdrawals of bank accounts and borrowed money.
- Gifts, loans, lump-sum inheritances, and one-time insurance payments.
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches.
- The total interest income in all accounts (checking, savings, CDs, IRAs, 401Ks, money market, annuities, etc.)

**Maximum total allowed assets, including amounts in banking/investment accounts may not exceed the amount of the federal poverty guideline for the number of persons in the household. See above for what is considered an asset.**

**Poverty Exemption Worksheet**  
**Copy Provided to Applicant After Board of Review Meeting**

Parcel Number: \_\_\_\_\_

Year: \_\_\_\_\_

Property Address: \_\_\_\_\_ Applicant's Name: \_\_\_\_\_

***For Board of Review Use Only - Do Not Write Below This Line***

***Staff - Initial next to all requirements as it relates to the application/applicant.***

Does the applicant appear as taxpayer of record of property in question?	Yes _____	No _____
If not, has documentation proving ownership been provided?	Yes _____	No _____
Are all areas on the application complete with either an answer or "N/A"?	Yes _____	No _____
Are all pages of the guidelines/application included with the applicants submission?	Yes _____	No _____
Does the applicant reside at the property in question?	Yes _____	No _____
Are copies of the Federal and State income tax returns and property tax credits forms for the current of preceding year attached for all persons residing in the household?	Yes _____	No _____
If not, is the affidavit stating the person is not required to file income taxes completed?	Yes _____	No _____
If home was purchased within in past 2 years of date of this application, is closing statements provided?	Yes _____	No _____
Is a copy of the most current mortgage statement, including a reverse mortgage if applicable, attached?	Yes _____	No _____
Are copies of the most recent bank/investment statements for all residing in the household attached with all pages included?	Yes _____	No _____

a. **Taxable value on roll** \$ \_\_\_\_\_

b. **Number of people in household** \_\_\_\_\_

c. **Total household income from information provided** \$ \_\_\_\_\_

d. **Income limit based on number of people in household as established by guidelines** \$ \_\_\_\_\_

e. **Total assets of household** \$ \_\_\_\_\_

f. **Does applicant meet all asset and income guidelines as established?**  YES  NO

If no, reason must be provided by the Board of Review below.

g. **If yes, multiply line "a" by 50% (0.50)** \$ \_\_\_\_\_

\_\_\_\_\_ Appeal Denied

\_\_\_\_\_ Reduction Granted

- \_\_\_\_\_ 1. Does not qualify based on guidelines
- \_\_\_\_\_ 2. Application not complete, missing information
- \_\_\_\_\_ 3. Did not furnish proper documentation
- \_\_\_\_\_ 4. Other: \_\_\_\_\_  
\_\_\_\_\_

**Taxable Value**  
 As on Roll \$ \_\_\_\_\_  
 Revised \$ \_\_\_\_\_

Initials of Board Members: \_\_\_\_\_

Date: \_\_\_\_\_

## Poverty Exemption Affidavit

This form is issued under authority of Public Act 208 of 1993; 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

## 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.

<b>PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.</b>				
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		
<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 Code Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
<b>PART 3: 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

<b>PART 4: EMPLOYMENT INFORMATION — List your current employment information.</b>					
Name of Employer					
Address of Employer		City	State	ZIP Code	
Contact Person		Employer Telephone Number			
<b>PART 5: INCOME SOURCES</b>					
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)		
<b>PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION</b>					
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	
<b>PART 7: LIFE INSURANCE — List all policies held by all household members.</b>					
Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured
<b>PART 8: MOTOR VEHICLE INFORMATION</b>					
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 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)	

**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.

<b>PART 11: POLICY AND GUIDELINES ACKNOWLEDGMENT</b>		
<p>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.</p>		
<p><input type="checkbox"/> 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.</p>		
<b>PART 12: CERTIFICATION</b>		
<p>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.</p>		
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 35 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  
 E-mail: [taxtrib@michigan.gov](mailto:taxtrib@michigan.gov)