

# Property Tax Assistance for Low-income Homeowners

For most programs, families must income qualify.

## **For Families Facing Property Tax Foreclosure:**

*(if you are only one or two years behind, you will not qualify for these programs)*

*Michigan Legal Services can assist with applying for these programs and determining your best options to prevent property tax foreclosure. If you are facing foreclosure, we strongly recommend that you visit their office at 220 Bagley, Suite 900, Detroit, MI 48226 on Monday, Wednesday, and Friday from 9:00 – 12:00 p.m. for assistance. Appointments are first-come, first-served.*

## **State Emergency Relief (SER)-**

Home Ownership Services, Michigan Department of Human Services- SER can pay up to \$2000 of property tax debt to help families avoid property tax foreclosure.

- There is a \$2000 lifetime limit.
- \$2000 **must** address all tax debt or families must be able to pay for the remaining debt. If not, families will not be eligible for assistance.
- Eligibility: Please ask your DHS case worker to see if you are eligible. If you do not have a case worker, you can call 313-456-1000 for more information about eligibility.



## **Wayne County Veterans Affairs-**

You may be eligible if you are a veteran with any wartime service and an honorable discharge. Call (313) 224-5045 to see if you would qualify. Monday-Friday from 9am-3:30pm.

## **Wayne County Hardship Extension-**

Families can receive a six-month extension on paying property tax before Wayne County begins the foreclosure process.

- This program will extend the deadline but it does not offer cash assistance. Families must pay the full amount by the new deadline.
- Interest will still accumulate during this time.
- Visit [http://www.co.wayne.mi.us/treasurer\\_ta\\_hardship.htm](http://www.co.wayne.mi.us/treasurer_ta_hardship.htm) or call (313) 224-6105 for more information.

## **A Step Forward**



## **New Program for Back Taxes**

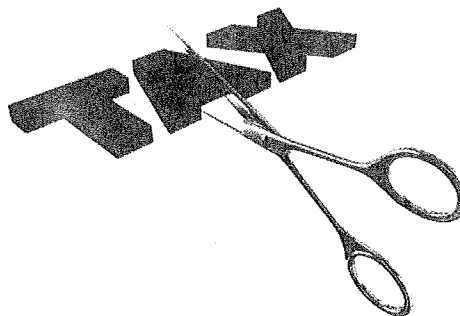
For a limited time only, **Step Forward**, can pay up to \$30,000 in back taxes, even if you are not yet facing foreclosure. For more information, visit [www.stepforwardmichigan.org](http://www.stepforwardmichigan.org) or call 866-946-7432. Also, you may call CLEARCorps at 313-924-4000 and ask us to mail you the Step Forward Important Information flyer.

## To Reduce Current Taxes:

**Property Tax Exemption, City of Detroit-** low-income homeowners may be eligible to have their current city property taxes reduced or eliminated. *For more detailed information, call CLEARCorps at 313-924-4000 and ask for our Detroit Property Tax Exemption Flyer.*

This does not apply to previous tax debt, only current taxes.

- Go to the City Assessor's Office (8<sup>th</sup> floor, Room 804 of the Coleman A. Young building).
- Families must apply every year. Families must income qualify for this program. See program flier for income guidelines
- After receiving the application, families can receive assistance filling out this application through Michigan Legal Services. You will be denied if you do not fill it out correctly, so we strongly encourage everyone to seek assistance.



*While this resource is for Detroit residents only, every city has a tax exemption or reduction program for low-income homeowners. Call your City Assessor's Office to see what exists in your city.*

**Tax Appeal Process-** Families can appeal the assessed value of their property to reduce their taxes.

- Families can appeal their assessed value at the City Assessor's Office (8<sup>th</sup> floor, Room 804, Coleman A. Young building). Families can only appeal between Feb. 1 – 15 of each year.
- If your request is denied, you can appeal through the State of MI tax tribunal at their office at Cadillac Place, 3042 W. Grand Blvd. More information is available at <http://www.michigan.gov/taxtrib/>. The appeal process can take over a year to complete.
- There is a fee for filing an appeal with the tax tribunal.



### **Extension vs. Exemption:**

There are two different programs through different agencies that sound very similar: a *Hardship Extension* and a *Hardship Exemption*.

A **Hardship Extension** for past-due taxes is through Wayne County and for families facing tax foreclosure. This extends your due date (but does not provide financial assistance).

The **Poverty or Hardship Exemption** for current taxes is through the City and is for current taxes only. This can reduce the amount of taxes you owe (i.e. exempts you from paying taxes).

# Homeowners: Reduce This Year's Property Taxes!

## Who is Eligible?

- If you are a low-income homeowner in Detroit, you may be eligible to have your property taxes for this year reduced through a property tax exemption. To get an exemption, you must fill out an application. *Income guidelines are listed on the back of this flier.*
- This program is for owner-occupied homes only, so you must have a recorded deed for the house in order to apply (see back for more information).

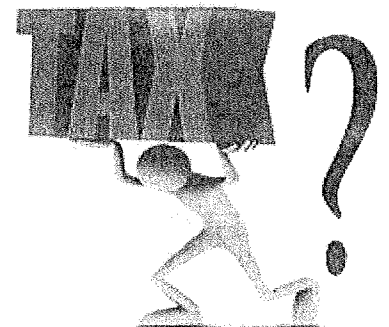


## How to Apply!

Please read the information and follow the steps below.

- 1) Go to the City Assessor's office, 8<sup>th</sup> floor, Room 804 of the Coleman A Young Municipal Center (2 Woodward Ave) to request an application for a property tax exemption or poverty exemption. The city will add you to the list and then mail you an application. To have your entire tax bill reduced for the year, you must request this application between January and March. Applications received after this date may only get a partial reduction, however it could still be very beneficial to apply.
- 2) An application will be mailed to you with a due date stamped on your application. United Community Housing Coalition can help you complete your application. You can visit their office at 220 Bagley, Suite 900, Detroit, MI 48226 on Monday, Wednesday, and Friday from 9:00 – 12:00 p.m. for assistance. Appointments are first-come, first-serve, so please arrive before 11 a.m. and be prepared to wait for an appointment. You must bring your application with you and all required documentation. Read the last page of the application to make sure you have all the documentation; documentation is also listed on the following page.
- 3) **You could be denied if you do not fill out the application correctly, so we strongly recommend that you visit United Community Housing Coalition (313-963-3310) for assistance.**
- 4) Please note that if you file a property tax exemption, you must file income taxes for this year.

PAYING TOO  
MUCH PROPERTY



## CITY OF DETROIT INCOME GUIDELINES

Here are the income guidelines for 2012. Guidelines may change. Household income is the combined income of everyone in the household.

Household Size	Full Exemption	50% Exemption
1	16,660	19,160
2	19,950	22,450
3	22,100	24,600
4	25,600	28,100
5	27,400	29,900
6	30,000	32,500
7	33,800	35,300
8	37,600	39,100

If there are over 8 people, add \$3000/ person for a full exemption and \$1500/ person for a 50% exemption

Applicants must report all household income and provide proof of income and all savings, and report all vehicles owned. Savings, vehicles, and other assets must be less than \$10,000.

### REQUIRED DOCUMENTATION

You might need the following documents. Start gathering this information and bring this to your meeting with United Community Housing Coalition.

- Copy of deed
- Income tax return
- Proof of income
- Current DTE bill
- Current water bill
- Picture ID with your current address
- Report cards for school-aged children
- Other documents mentioned in application

### Other Important Information

**It is very important that you fill out the application correctly or you may be denied.** Please visit the United Communities Housing Coalition for help at 220 Bagley, Suite 900, Detroit, MI 48226 on Mon., Wed., and Fri. from 9:00 – 12:00 p.m. (please arrive before 11 a.m.)

**To apply, you must have a Principal Residence Exemption (PRE) and a recorded deed.** To record your deed, go to the Wayne County Register of Deeds, 400 Monroe St, 7<sup>th</sup> floor. You can file a property transfer affidavit and Principle Residence Exemption at the City Assessor's office (Coleman A. Young Building, 8<sup>th</sup> floor, please bring a copy of your deed). You must file the affidavit within 45 days of signing the deed or you will have to pay a fee (up to \$200) to file.

While this will help you to reduce this year's taxes, this does not reduce any existing tax debt. **If you are facing tax foreclosure, there may be some additional resources to help you address your tax debt.** Please contact Michigan Legal Services at 313-964-4130 to learn more about resources to prevent tax foreclosure.