



CITY OF PONTIAC
OFFICE OF THE EMERGENCY FINANCIAL MANAGER

LOUIS H. SCHIMMEL

47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3133
Fax: (248) 758-3292

Dated: February 19, 2013

ORDER NO. S-248

RE: 2013 Hardship Exemption Guidelines

TO: Sherikia Hawkins, City Clerk
Board of Review
John Naglick, Finance Director

The Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et. seq.) in Section 141.1219 empowers an Emergency Financial Manager to issue the orders a Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. Section 141.1221 (1) provides that an Emergency Financial Manager may take one or more additional actions with respect to a local government in which a financial emergency has been determined to exist including: ... (p) Exercise the authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions affecting the financial condition of the local unit of government....

WHEREAS, the General Property Tax Act requires that local governing bodies determine and make available to the public the policy and guidelines the local assessing unit uses for the granting of exemptions under this section. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and total household income and assets.

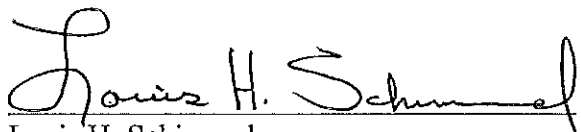
It is hereby ordered:

1. That the Guidelines attached to this order as Exhibit A are hereby adopted.
2. That the Board of Review may consider all appeals filed in writing, but may require the applicant to appear to answer questions.

The Order shall have immediate effect.

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (Public Act 442 of 1976, MCL 15.231, et. seq.).

This order is effective as indicated and is necessary to carry out the duties and responsibilities required of the Emergency Financial Manager as set forth in the Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Financial Manager.

A handwritten signature in black ink that reads "Louis H. Schimmel". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Louis H. Schimmel
City of Pontiac
Emergency Financial Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council



City of Pontiac, Michigan

Department of Finance

February 2013

TO: PROPERTY OWNERS APPLYING FOR HARDSHIP EXEMPTION (FINANCIAL) FROM THE CITY OF PONTIAC BOARD OF REVIEW

The City of Pontiac has adopted uniform guidelines for determining poverty exemptions. Taxpayers whose income falls below a determined level may apply for a reduced assessment, based on income, assets and family size. The goal of this procedure is to adopt consistent standards for granting tax relief based on hardship. Please note: This application may reduce the taxable value of your property; however, it does not affect the homestead exemption affidavits, which reduces the tax rate. (Property taxes = taxable value x tax rate / 1,000)

Attached is a schedule, which outlines the eligibility guidelines as established by the Emergency Manager under the General Property Tax Act (PA 206 of 1893). Please note that the State of Michigan Homestead Property Tax Credit and all pertinent income and expense data shall be used in the determination of eligibility. Attached is the Economic Hardship Exemption application form.

When the application is returned to the Treasurer's Office at City Hall or the **Oakland County Equalization Office, 250 Elizabeth Lake Road, Pontiac, MI, 48341**, you shall also submit completed copies of your Federal and State 2010 Income Tax Returns, the General Homestead Property Tax Claim Form, MI-1040 CR-4, and the Senior Citizen Homestead Property Tax Form, MI-1040 CR-1. **Incomplete applications will be rejected.**

It is not necessary for you to appear in person before the Board of Review. The Oakland County Equalization Office will submit your application to the Board for their consideration; however, the Board may request your presence at a meeting.

In order to provide time to review this application, it must be returned to the Oakland County Equalization Office **ON OR BEFORE MARCH 13, JULY 16, OR DECEMBER 10, 2013; earlier submission is strongly recommended.** Please also note: you may only submit (on one of the days listed above) one application per year.

If you have any questions or need assistance, please contact the Oakland County Equalization Office at (248) 858-0776.

**CITY OF PONTIAC
2013 HARDSHIP EXEMPTION GUIDELINES**

For Applicants requesting consideration for Property Tax Hardship Exemptions.

- (1) Applicant(s) shall obtain the hardship application form from the City of Pontiac Treasurer's Office or the Oakland County Equalization Department. Handicapped or disabled applicants may call the Assessor's Office to make necessary arrangements for assistance.
- (2) Applicant(s) must own and occupy the property as a homestead
 - (A). Must produce State of Michigan operator license or other acceptable method of identification and determination of address.
 - (B). Must produce a deed, land contract, or other evidence of ownership.
- (3) Applicant(s) must complete the application form in its entirety and return to this office. Any application form submitted to the Board of Review, which has not been filled out in its entirety, shall be denied by the Board of Review. Appeals of said denial shall be made to the Michigan Tax Tribunal.
- (4) Applicant(s) and other persons residing in the homestead must submit copies for the current year of the following:
 - (A). Federal Income Tax Return – 1040, 1040A or 1040 EZ
 - (B). Michigan Income Tax Form MI-1040, MI-1040A or MI-1040EZ
 - (C). Senior Citizens Homestead Property Tax Form MI-1040CR-1
 - (D). General Homestead Property Tax Claim MI-1040CR-4
 - (E). ADC Annual Budget letter
 - (F). Benefit Statement (pension, retirement, or Social Security)
 - (G). Social Security Card (any persons 18 years of age or under)
 - (H). Treasury Form 4988 (affidavit) for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediate preceding year.
- (5) A hardship exemption shall not be granted to any applicant who owns salable property other than his or her own homestead no matter where located.
- (6) A hardship exemption shall not be granted to any applicant whose total value of cash and non-cash assets exceed \$31,260. An applicant's homestead property and one vehicle used for personal transportation and titled to a member of the household shall be excluded from consideration as an asset.

- (7) Applicant(s) shall not be eligible for consideration if they do not meet the Income Limitation Guidelines adopted by the City of Pontiac:

Size of Family Unit	Poverty Guidelines
1	\$11,170
2	\$15,130
3	\$19,090
4	\$23,050
5	\$27,010
6	\$30,970
7	\$34,930
8	\$38,890
For each additional person, add	\$3,960

- (8) The **MAXIMUM** allowed reduction for hardship exemption shall be 50% of the net property taxes due after the State Homestead Credit is applied based on Taxable Value of the homestead for the current tax year.
- (9) All hardship exemptions shall be granted for the current tax year only.
- (10) Applications may be reviewed and acted upon by the Board of Review without applicant(s) being present. However, the Board may request that any or all applicants be physically present to respond to any questions the Board of Review or Assessor may have. This means that an applicant may be called to appear on short notice.
- (11) Applicant(s) should be prepared to answer questions regarding their financial affairs, health, the status of people living in their home, etc.
- (12) Pursuant to state law, applicant(s) may apply for Hardship Exemption to only one (1) session of the Board of Review (March, July **OR** December) and any appeal of the Board's decision shall be made to the Michigan Tax Tribunal.
- (13) The Board of Review shall have the authority to grant an exemption to applicant(s) who do not meet the residency requirement of the exemption guidelines of the City of Pontiac if they are paraplegic, quadriplegic, hemiplegic, or totally and permanently disabled **AND** have owned and occupied the property in the City of Pontiac prior to becoming handicapped or permanently disabled.

NOTE: THE BOARD OF REVIEW MAY DEVIATE FROM THIS POLICY ONLY WHEN THERE ARE SUBSTANTIAL AND COMPELLING REASONS WHY THERE SHOULD BE A DEVIATION FROM THE POLICY AND GUIDELINES. IF SUCH DEVIATION IS MADE, THE BOARD OF REVIEW SHALL COMMUNICATE THE SUBSTANTIAL AND COMPELLING REASONS FOR THE DEVIATION FROM THE GUIDELINES IN WRITING TO THE CLAIMANT (MCL 211.7(U)5. See STC Bulletin 7 of 2010.