# CITY OF PETERSBURG

## APPLICATION FOR
# HARDSHIP EXEMPTION FROM TAXES
**Assessment Year: 2026**

**IMPORTANT:** To be eligible, a person shall do all the following on an **ANNUAL** basis:

- Be an owner of and occupy as a principal residence the property for which an exemption is requested. The exemption does not apply to property owned by a corporation.

- File a claim with the Mayor, Assessor or Board of Review, accompanied by federal and state tax returns for all persons residing in the principal residence filed in the immediately preceding year or current year or a signed State Tax Commission Form 4988: Poverty Exemption Affidavit.

- File a claim reporting that the combined assets of all persons do not exceed the current asset guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.

- Produce a valid driver's license or other form of identification if requested.

- Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested.

- Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.

The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

Revision date: 01/20/2026

# CITY OF PETERSBURG
# INCOME & ASSET GUIDELINES
# FOR HARDSHIP EXEMPTION FROM TAXES

## INCOME GUIDELINES
## TAX YEAR 2026

**The City of Petersburg has adopted the federal poverty guidelines that set income levels listed in Michigan Department of Treasury Bulletin 15 of 2025/November 18,2025/Procedural changes for 2026 for use in setting poverty exemption for the 2026 Assessments:**

| Size of Family Unit | 2026 |
|---|---|
| 1 | $15,650 |
| 2 | $21,150 |
| 3 | $26,650 |
| 4 | $32,150 |
| 5 | $37,650 |
| 6 | $43,150 |
| 7 | $48,650 |
| 8 | $54,150 |
| For each additional person | $5,500 |

## HOUSEHOLD ASSET GUIDELINES
## TAX YEAR 2026

- Public Act 390 allows cities to set the Asset Guidelines for poverty exemption from taxes, and states that poverty exemption asset guidelines must include the **asset levels of the entire household.**

- Applicant must fully complete and include with the Poverty Exemption Application the Poverty Exemption Asset Disclosure List stating that the combined assets of **ALL** persons living in the household do not exceed: **$15,650** (excluding the principal residence and one licensed vehicle). Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.

Revision date: 01/20/2026

# Definition of Income

The Bureau of the Census defines income to include the following:

1) Money wages and salaries before any deductions.

2) Net receipts from nonfarm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses

3) Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses.

4) Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance (including Aid to Families with Dependent Children, Supplemental Security Income, Emergency Assistance money payments, and non-Federally-funded General Assistance or General Relief money payments).

5) Alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household.

6) Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.

7) College or university scholarships, grants, fellowships, and assistantships.

8) Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Income does **not** include the following:

1) Money received from the sale of property such as stocks, bonds, a house, or a car unless a person is in the business of selling such property.

2) Withdrawals of bank deposits and borrowed money.

3) Tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments.

4) Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.

5) Federal noncash benefit programs such as Medicare, Medicaid, food stamps, school lunches.

# Application and Affirmation 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 where the property is located in each year on or after January 1 but before the day prior to the last day of the board of review. Poverty Exemptions may be heard by the Board of Review during its March, July, and December sessions.

**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 |

## 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 Identification Number | | Name of Mortgage Company |
|---|---|---|
| Unpaid Balance Owed on Principal Residence | Monthly Payment | Length of Time at this Residence |
| Property Description | | |

## PART 3: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)

☐ I own the property in which the exemption is being claimed.

☐ 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.

## PART 4: ADDITIONAL PROPERTY INFORMATION

List information related to any other property owned by you or any member residing in the household.

☐ 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 |

Continue on Page 2

**PART 5: EMPLOYMENT INFORMATION** — List your current employment information.

| Name of Employer | | | |
|---|---|---|---|
| Address of Employer | City | State | ZIP Code |
| Contact Person | Employer Telephone Number | | |

**PART 6: INCOME SOURCES**

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) |
|---|---|
| | |
| | |
| | |

**PART 7: CHECKING, SAVINGS AND INVESTMENT INFORMATION**

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 |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |

**PART 8: LIFE INSURANCE** — List all policies held by all household members.

| Name of Insured | Amount of Policy | Monthly Payments | Policy Paid in Full | Name of Beneficiary | Relationship to Insured |
|---|---|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |

**PART 9: MOTOR VEHICLE INFORMATION**

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 |
|---|---|---|---|
| | | | |
| | | | |

Continue on Page 3

**PART 10: HOUSEHOLD OCCUPANTS** — List all persons living in the household.

| First and Last Name | Age | Relationship to Applicant | Place of Employment | $ Contribution to Family Income |
|---|---|---|---|---|
| | | | | |
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**PART 11: PERSONAL DEBT** — List all personal debt for all household members.

| Creditor | Purpose of Debt | Date of Debt | Original Balance | Monthly Payment | Balance Owed |
|---|---|---|---|---|---|
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**PART 12: 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) |

Continue and sign on Page 4

**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.

## PART 13: POLICY AND GUIDELINES ACKNOWLEDGMENT

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.

☐ 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.

## PART 14: LEGAL DESIGNEE INFORMATION (Complete if applicable.)

| Legal Designee Name | | Daytime Telephone Number | |
|---|---|---|---|
| Mailing Address | City | State | ZIP Code |

## PART 15: CERTIFICATION

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.

| 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.**

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**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 30 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
Email: taxtrib@michigan.gov

Michigan Department of Treasury
4988 (05-12)

# 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

# POVERTY EXEMPTION ASSET DISCLOSURE LIST:

## ASSET DISCLOSURE CHECKLIST:

**IMPORTANT:** Under city-adopted poverty exemption guidelines, **total assets may not exceed $15,650** for the entire household. Applicants must disclose **all non-essential personal and real property** with resale value that may be considered toward this limit.

Do **not** list items necessary for basic living needs or required for employment.

### Applicant Information

**Name:** _____
**Property Address:** _____
**Tax Year:** _____

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# DISCLOSURE OF ASSETS

### Real property or buildings other than principal residence:

☐ Second home
☐ Buildings
☐ Land

**Description & Estimated Resale Value:**
_____ $_____
_____ $_____

### Jewelry & Precious Items

☐ Jewelry (rings, watches, necklaces, etc.)
☐ Precious metals or bullion
☐ Loose gemstones or diamonds

**Description & Estimated Resale Value:**
_____ $_____
_____ $_____

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### Artwork, Firearms & Collectibles

☐ Artwork or sculptures
☐ Antiques or heirlooms
☐ Coins, currency, or collectible items

☐ Memorabilia or trading cards
☐ Firearms (not required for employment)

**Description & Estimated Resale Value:**
_____ $_____
_____ $_____

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## Vehicles & Recreational Assets (Non-Essential)

☐ Collector or classic vehicles
☐ Motorcycles not used as primary transportation
☐ Boats, RVs, snowmobiles, ATVs

**Year / Make / Model & Estimated Value:**
_____ $_____
_____ $_____

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## Equipment, Instruments & Other Property

☐ Musical instruments (non-essential)
☐ Hobby or recreational equipment
☐ Tools or machinery not required for work

**Description & Estimated Resale Value:**
_____ $_____
_____ $_____

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## Other Valuable Personal Property

☐ Safe deposit box contents
☐ Storage unit contents
☐ Any other personal property with resale value

☐ Gifts, loans, lump sum inheritances and one time insurance payments
☐ Money received from the sale of property, such as stocks, bonds, a house or car

**Description & Estimated Resale Value:**
_____ $_____

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## TOTAL ESTIMATED PERSONAL PROPERTY VALUE

**$** _____
*(Must not exceed $15,650)*

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### Recent Transfers

Have you sold, transferred, or given away personal property within the past ____ months?

☐ Yes ☐ No
If yes, list item(s): _____

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### Certification

I certify under penalty of perjury that the above information is true, complete, and accurate. I understand that failure to disclose assets may result in denial or revocation of a poverty exemption.

**Applicant Signature:** _____
**Date:** _____

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### City Use Only

☐ Total assets ≤ $15,650
☐ Exceeds limit
Notes: _____

# 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 the purposes of the poverty exemption, the term "principal residence" has the same meaning as the term's principal residence exemption and qualified agricultural property as defined in MCL 211.7dd. The exemption does not apply to property owned by a corporation.

**How To Apply For The Poverty Exemption**

To request a poverty exemption, a taxpayer must file:

1. Form 5737 Application and Affirmation for MCL 211.7u Poverty Exemption
2. All required additional documentation (such as federal/state income tax returns)

Form 5737, along with any additional documentation, must be filed with the local assessing unit where the property is located. **Do not file this form with the Department of Treasury or the State Tax Commission.** The form 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 submission deadlines to ensure that their application is reviewed by a Board of Review during that calendar year.

In addition to filing Form 5737 and any supporting documentation, a taxpayer must do all of 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.
3. Produce a valid driver's license or other form of identification, if requested.
4. Produce a deed, land contract, or other evidence of ownership of the property, if requested.
5. 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 or alternative guidelines adopted by the local assessing unit. The

alternative guidelines cannot provide income eligibility requirements less than the federal guidelines.

6. Meet the asset level test adopted by the local assessing unit.

**Appeal Rights**

An appeal of a decision made by the March Board of Review must be filed by completing and submitting a petition to the Michigan Tax Tribunal no later than July 31 of the same year. A decision of the July or December Board of Review may be appealed by filing a petition with the Michigan Tax Tribunal within 30 days of the Board of Review's decision. Additional information on how to file an appeal is available by contacting the Michigan Tax Tribunal or by visiting its website at https://www.michigan.gov/taxtribunal.

# DO NOT WRITE ON THIS PAGE
# BOARD OF REVIEW USE ONLY

**WORKSHEET:**

$_____TOTAL ANNUAL INCOME OF ALL HOUSEHOLD MEMBERS

$_____SAVINGS, CHECKING AND INVESTMENT ASSETS

_____NUMBER OF PERSONS LIVING IN HOUSEHOLD

_____NUMBER OF VEHICLES IN HOUSEHOLD

_____NUMBER OF RECREATIONAL VEHICLES

SEV: $_____ TAXABLE VALUE: $_____

**DISPOSITION BY BOARD OF REVIEW**

MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the Board of Review shall grant the poverty exemption, in whole or in part, as follows: 1. A full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted; or 2. A partial exemption equal to a 75% reduction in taxable value for the year in which the exemption is granted; 3. A partial exemption equal to a 50% reduction in taxable value for the year in which the exemption is granted; or 4. A partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted.

The Board of Review shall follow the policies and guidelines of the local assessing unit when granting or denying a poverty exemption. The same standards shall apply to each claimant in the unit for the assessment year.

Property Identification No._____

_____ Denied _____ Approved

Taxable Value reduced from $_____ to $_____ (100% / 75% / 50% / 25%)

_____BOR Chairperson; _____BOR Second Member; _____BOR Third Member

Date:_____ Signature (Board of Review Secretary)_____

Revision date: 01/20/2026

NOTES: _____