



CITY OF BERKLEY

3338 COOLIDGE HWY, BERKLEY, MICHIGAN 48072

Poverty/Hardship Exemption Application 2026

OFFICE USE ONLY	
Applicant Name	Date Stamp
Parcel Number	

RESOLUTION

Of the Council of the City of Berkley, Michigan
Amending Resolution No. 1-26, Establishing the Policy and Guidelines for
Granting an Exemption from Payment of
Property Taxes

WHEREAS: Public Act 390 of 1994, requires that the governing body of each city and township determine and make available to the public the policy and guidelines the Board of Review utilizes in granting reductions in property assessments due to limited income and assets, referred to as "Poverty Exemptions"; and

WHEREAS: Public Act 253 of 2020, adopted on December 23, 2020, amended MCL 211.7u related to Poverty Exemptions in the State of Michigan; and.

WHEREAS: the City Council adopted Resolution 1-26 at a City Council meeting on January 26, 2026 at 7:00pm revising the City's policy and guidelines for granting an exemption from payment of property taxes; and

WHEREAS: the City Council determines that additional revisions are appropriate, requirement amendment to Resolution 1-26; and

WHEREAS: It is the intent of the City Council to adopt guidelines in compliance with both of the acts.

NOW THEREFORE, THE BERKLEY CITY COUNCIL RESOLVES:

SECTION 1: To be eligible for a poverty exemption, a person shall do all of the following on an annual basis:

1. Be an owner of, and occupy as a principal residence, the property for which an exemption is requested.
2. The subject property must be classified as a single-family residential parcel or residential condominium property with a valid homeowner's Principal Residence Exemption (PRE) currently in effect.
3. File a completed application with the Board of Review on a form provided by the city. All supporting documentation must be included.
4. Submit the most recent year's copies of the following:
 - i. Federal and State of Michigan Income Tax Returns for all individuals residing in the homestead.
 - ii. Most recent Homestead Property Tax Form MI-1040CR-1 (attached to the most current State Income Tax Return).
 - iii. Statement from Social Security Administration and/or the Michigan Social Services as to monies paid to applicant(s) during the previous calendar year along with a current Form 4988 Poverty Exemption Affidavit if this is the sole source of income.

5. Produce a copy of the applicant's valid driver's license or other form of identification such as a passport or State Identification Card.
6. Produce a copy of the deed, land contract or other evidence of parcel ownership of all real property owned by the applicant if requested by the Board of Review.

SECTION 2: The Board of Review can request any other additional information including additional tax returns, financial statements, land contracts, personal or family trust documents, vehicle titles and any other record or affidavits that the Board may deem necessary in order to make a poverty exemption determination, asset limit determination, or income level determination.

SECTION 3: Poverty exemption applications must be filed after January 1st, but before the day prior to the last day of the Board of Review.

SECTION 4: The Board of Review shall follow the policy and guidelines set forth above when granting or denying poverty exemptions requests. The same standards shall apply to each taxpayer within the city claiming the poverty exemption for the assessment year.

SECTION 5: If all items requested are received, reviewed, and approved by the Board of Review and a determination is made that the poverty exemption application meets the established guidelines for household income level and household assets, then the Board of Review must grant a full exemption equal to 100% reduction in taxable value or a partial exemption equal to 75% or 50% or 25% reduction in taxable value.

SECTION 6: The applicant's total household income cannot exceed 150% of the Federal Poverty Guidelines for income, set forth by the U.S. Department of Health and Human Services as established by the State Tax Commission-to be updated annually.

SECTION 7: A poverty exemption shall not be granted to any applicant whose assets exceed \$35,000. An applicant's homestead and principal vehicle shall be excluded from consideration as an asset. All other property, including property owned by all other persons residing in the household, shall be included as an asset. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, insurance commodities, coin collections, art, motor vehicles, recreation vehicles, etc.

SECTION 8: Any reduction in the State Equalized Value of a property is granted for one year only and must be applied for and reviewed annually based on the applicant's current situation.

SECTION 9: All Notices of Assessment Change and all advertisements of the Board of Review meetings are to include a statement that the resident taxpayer may protest the property assessment, in writing, to the Board of Review.

SECTION 10: To conform to the provisions of PA 253 of 2020, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

Introduced and passed at a regular meeting of the Berkley City Council on March 2, 2026.

Bridget Dean
Bridget Dean (Mar 3, 2026 13:20:45 EST)

Bridget Dean, Mayor

Victoria Mitchell
Victoria Mitchell (Mar 3, 2026 11:50:38 EST)

Victoria Mitchell, City Clerk

INCOME GUIDELINES FOR POVERTY EXEMPTION

This amount is as published annually by the US Dept. of Health and Human Services, Per Michigan State Tax Commission Bulletin number 14 of 2025, "Procedural changes for 2026," November 18, 2025

<u>Number of Family</u>	<u>Income*</u>
1 Member	\$ 23,475
2 Members	\$ 31,725
3 Members	\$ 39,975
4 Members	\$ 48,225
5 Members	\$ 56,475
6 Members	\$ 64,725
7 Members	\$ 72,975
8 Members	\$ 81,225
For each additional person	+ \$ 8,250

**Poverty 1.5x Federal Number in Family*

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 \$35,000 of the federal poverty guideline for the number of persons in the household. See above for what is considered an asset.

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.
- 2) A partial exemption equal to a 75% reduction in taxable value.
- 3) A partial exemption equal to a 50% reduction in taxable value.
- 4) A partial exemption equal to a 25% reduction in taxable value.

**CITY OF BERKLEY APPLICATION
FOR POVERTY EXEMPTION FOR 2026**

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 “carry forward” option, petitioners 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.berkleymi.gov or by calling (248) 321-1031.* 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 may 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.

POVERTY EXEMPTION WORKSHEET

Copy Provided to Application After Board of Review Meeting

Parcel Number: _____ Applicant Name: _____

Property Address: _____

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 _____
<i>If not, has documentation proving ownership been provided?</i>	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 applicant’s 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 or preceding year attached for all persons residing in the household?	Yes _____	No _____
<i>If not, is the affidavit stating the person is not required to file income taxes completed?</i>	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?	O Yes O No
<i>If no, reason must be provided by the Board of Review below.</i>	
g. If yes, multiply line ‘a’ by 50% (0.50)	\$ _____

_____ Appeal Denied

_____ Reduction Applied

- _____ 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: _____

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.)				
<input type="checkbox"/> I own the property in which the exemption is being claimed.				
<input type="checkbox"/> 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.				
<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

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

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

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

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)	

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
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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 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

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

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION — Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County	
Name of Local School District			
Parcel Identification Number		Year(s) Exemption Previously Granted by Board of Review	
Homestead Property Address	City	State	ZIP Code
PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)			
<input type="checkbox"/> I own the property in which the exemption is being claimed.			
<input type="checkbox"/> 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.			
<input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)		Signature of Owner or Legal Designee	Date
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax Year(s) exemption will be posted to tax roll	
CERTIFICATION — I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	