

**CITY OF WALKER
POLICY & PROCEDURE FOR GRANTING
POVERTY EXEMPTIONS
FULL EXEMPTIONS (100%) & PERCENTAGE REDUCTIONS (75%, 50% & 25%)**

Procedures for a Full Poverty Exemption (100%):

1. The property owner (or representative) must complete the *Application for MCL 211.7u Poverty Exemption (form 5737)* and all supporting documents (state and federal income tax returns, bank statements, loan documents, utility bills, medical bills, etc.). They will also need to complete the *Poverty Exemption Affidavit (form 4988)*. The application (along with supporting documents and form 4988) must be submitted anytime between January 1 but no later than the day prior to December Board of Review. This is a yearly application, it must be reapplied for next year, if the applicant still qualifies.
2. Upon receipt of the application the Deputy Assessor will review and verify that all the required information has been submitted. The Deputy may need to work with the applicant to get more supporting documentation.
3. The *Federal Poverty Guidelines Used in the Determination of Poverty Exemptions* are issued annually by the State Tax Commission in a bulletin, typically issued in October. To receive the full 100% poverty exemption, the applicant must meet these guidelines to get the exemption, based on the number of people in their household. If the applicant does not meet the *Federal Poverty Guidelines*, they can still apply for a partial exemption (see below).
4. The application will then need to go through one of our Board's of Review (March, July or December). The Board will then officially grant or deny the full exemption for the tax year. The applicant will be notified of the Board's decision through a letter.
5. If the exemption is denied by the Board the property owner may then opt to appeal their case to the Michigan Tax Tribunal.

Procedures for a Partial or Percentage Reduction Poverty Exemption (75%, 50% or 25%):

1. To apply for a Percentage Reduction Poverty Exemption, the applicant would need to submit everything mentioned above, and they would also need to include the *Request For Approval of Percentage Reduction in Taxable Value For Poverty Exemptions Under MCL 211.7u*, which is form 5738.
2. The rest of the process for a Percentage Reduction Poverty Exemptions is the same as a Full (100%) Poverty Exemption (see above).
3. The percentage of reduction in the taxable value (75%, 50%, or 25%) is at the discretion of the Board, based on the individual's current income, bills, and special circumstances.

Please contact the Deputy Assessor if you have any questions:

Rachel Nicks, Deputy Assessor, City of Walker
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