



LAPEER COUNTY TREASURER

DANA M MILLER, TREASURER
WENDY M MILLER, DEPUTY TREASURER

COUNTY OF LAPEER FINANCIAL HARDSHIP DEFERRAL OF FORECLOSURE POLICY

Policy Subject: **FINANCIAL HARDSHIP DEFERRAL OF FORECLOSURE**
Authorized by Board of Commissioners: Motion 673-01 Date 10-18-01
This policy supersedes all previous policies regarding Financial Hardship Deferral of Foreclosure under Public Act 123 of 1999.

Rev 10/08

STATEMENT OF POLICY

The objective of Lapeer County and the Lapeer County Treasurer is to assist delinquent taxpayers to fulfill their Real Property Tax obligation in order to avoid any foreclosure on any property the owner wishes to maintain. In order to insure that all property owners in Lapeer County are treated equitably, information concerning the availability of Hardship Deferral will be provided to all taxpayers facing foreclosure prior to the Show Cause and Court hearings.

PROCEDURE

1. The Treasurer will assist taxpayers throughout the year. Applications will be available at the Treasurer's office. The Treasurer or her authorized representative will carry applications and distribute as appropriate when conducting site visits.
2. Financial Hardship applications will be reviewed by a panel consisting of the Lapeer County Treasurer, a representative from the Lapeer County Prosecutor's Office and a representative from the Family Independence Agency. Representatives from other governmental or non-profit organizations may be included on the panel as necessary. Local government officials will be notified of residents submitting applications from their unit and asked to identify potential local sources of assistance for these individuals.
3. Applications may be submitted throughout the year but no later than two weeks prior to the Show Cause Hearing, which is held during January just prior to Foreclosure. Applications will be reviewed initially at the Show Cause Hearing. The Review Panel may meet on an as-needed basis throughout the rest of the year. The Treasurer requests that fifteen-minute appointments be made for the orderly conduct of business at the Hearing. Non-appointments will be reviewed as time permits. Please contact the Treasurer's office at 810-667-0239 to request an appointment.
4. For 2006 and all prior years' delinquent taxes, the last date to submit an application for Hardship Deferral is **Friday, January 16, 2009**. Applications submitted after this date will be reviewed if time permits. The Show Cause hearing will be held January 22, 2009. The Circuit Court Hearing will be February 23, 2009.

5. Applicant must either include the following with the application form or have this information available at the Show Cause Hearing or other meeting with the Review Panel:
 - A. State and Federal tax returns for the past two years
 - B. Verification of income such as:
 - (1) Social Security Statement
 - (2) Land contracts, leases, etc.
 - (3) State Assistance Statements
 - (4) Pay stubs
 - C. Financial Statement of Condition (Balance Sheet – part of application form)
 - D. Documentation of application to local unit for exemption and their determination
 - E. Provide details of all attempts for assistance or borrowing and the result of this effort
6. The Income Guideline which will be used by the Treasurer and the Review Panel is the most recent Poverty Guidelines as issued by the Federal Department of Health and Human Services. Income shall not exceed 150% of Federal Poverty Guidelines.
7. Applicants will have the opportunity to disclose other conditions that may affect their ability to pay taxes. These may include, but are not limited to, the following:
 - A. Existence of physical and/or mental disabilities
 - B. Health issues
 - C. Outstanding financial obligations due to conditions/factors outside the individual's control
 - D. Unemployment
 - E. Recent loss of source of income due to death, disability, etc.
8. The Treasurer and the Review Panel will determine if the applicant has exhausted all potential sources of assistance. Applicants will be provided with information concerning:
 - A. Federal, state and local governmental agencies
 - B. Non-profit, charitable organizations
 - C. Community based and service groups
 - D. Information on types of loans available and local institutions which have indicated a willingness to assist hardship applicants
9. The Treasurer and the Review Panel will attempt to determine if the hardship is temporary or permanent. For temporary hardships, the anticipated time to correct the situation will be determined. Permanent hardship cases will be referred to the respective local units for future relief under MCL 211.7u.
10. The granting of a Hardship Deferral only **extends** the time to pay the delinquent amount due. Interest at 1½% monthly and any additional expenses continue to accrue on the parcel, increasing the tax liability. Ultimately, the Treasurer must determine if relief from foreclosure will enable the taxpayers to pay the delinquent tax within twelve (12) months of the decision.

Although the recommendation of the Review Panel will be sought, by state Statute, Hardship Deferral determination will be at the sole and absolute judgement of the County Treasurer.

Attachments to this policy:

1. US Dept. of Health and Human Services (HHS) Poverty Guidelines for the most recent year
2. Application Form (two pages)

Attachment #1 – The 2008 HHS Poverty Guidelines

Size of Family Unit	Annual Income
1	\$ 10,400
2	\$ 14,000
3	\$ 17,600
4	\$ 21,200
5	\$ 24,800
6	\$ 28,400
7	\$ 32,000
8	\$ 35,600
For each additional person add	\$ 3,600

These are the "the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2)."

Source: *Federal Register*, Vol. 73, No. 15, January 23, 2008, pp. 3971-3972.

As published on the website for US Department of Health and Human Services:

<http://aspe.hhs.gov/poverty/08poverty.shtml>

Percentage calculations as used by Lapeer County for determination of Hardship

Deferment: 150% of HHS Poverty Guidelines:

Size of Family Unit	HHS Guideline Annual Income	Lapeer County Guideline: 150% of HHS Guideline
1	\$ 10,400	\$ 15,600
2	\$ 14,000	\$ 21,000
3	\$ 17,600	\$ 26,400
4	\$ 21,200	\$ 31,800
5	\$ 24,800	\$ 37,200
6	\$ 28,400	\$ 42,600
7	\$ 32,000	\$ 48,000
8	\$ 35,600	\$ 53,400
For each additional person add	\$ 3,600	\$ 5,400

For the purpose of this policy, the following items may be updated annually without requiring action by the Lapeer County Board of Commissioners:

Item # 4, which states application deadline and the dates of the Show Cause Hearing and Circuit Court hearing; and

Attachment # 1, which includes the HHS Poverty Guidelines and Percentage calculations as used by Lapeer County for determination of Hardship Deferment; and

Attachment # 2, the application form, which may be modified as needed upon the recommendation of members of the Review Panel.

For information about a Poverty Exemption for the current tax year please contact your township office. Poverty exemptions cannot be granted for past years; only the current year, so do not delay. Applications should be received at the township by December 1st in order to be considered at the December Board of Review for this year. To apply for a Poverty Exemption, you must use the form supplied by your township, not this form.

Application for Financial Hardship Deferral

Parcel ID Number(s):		
Taxpayer name and age:		
Taxpayer name and age:		
Property address:		
City, State, Zip:		
Daytime Phone number(s)		
Ages of Dependents:		
Employment information:		Monthly Income:
Company name:		\$
Address:		
Other income: Social Security		\$
Social Security		\$
Other (Please specify)*:		\$
		\$
		\$
		\$
Total Monthly Income:		\$

* Other income may include Veterans benefits, unemployment compensation, retirement benefits, income from real estate, etc.

When meeting with the Treasurer and the Review Panel, the applicant must provide a completed application form (both pages), documentation as listed in Item 5 of the Procedures, and any other documents necessary to present your case.

For office use only:
 Date received: _____ Date reviewed: _____
 Checklist completed: _____
 Deferral: ___ No ___ Yes Tax year: _____ Time deferred: _____

Financial Statement – Statement of Condition as of Today’s Date

Parcel ID Number(s):			
Assets		Liabilities	
		Monthly Payment	Total Owed
Cash on Hand	\$	Mortgage	\$
Checking Account	\$	Credit Cards	\$
Savings Account CDs, etc.	\$	Vehicles	\$
Savings Bonds	\$	Utilities	\$
Stocks, Mutual Fund, Securities	\$	Property Taxes (total all years)	\$
Property (Equity)	\$	Education/Day Care	\$
Vehicles (value)	\$	Unreimbursed Medical Expenses	\$
	\$	Insurance premiums	\$
	\$	Other debt and liabilities (list)	\$
	\$		\$
	\$		\$
TOTAL ASSETS:	\$	TOTAL LIABILITIES:	\$
NET WORTH = ASSETS - LIABILITIES			\$

Unique or Unusual circumstances which should be considered:

The above statements are true to the best of my knowledge and belief and are made for the purpose of obtaining a Hardship Deferral on my property for Delinquent Real Property Taxes. I understand I can be prosecuted for fraud if I intentionally make a false or misleading statement or misrepresent, conceal or withhold facts for the purpose of establishing or maintaining my property's eligibility.

Signature

Signature

Date

Date

Return both pages of the application and any supporting documentation to:

Financial Hardship Deferral Application, Lapeer County Treasurer, 255 Clay St, Ste. 303, Lapeer MI 48446. For questions, please call 810-667-0239.