

**ST. CLAIR COUNTY TREASURER
FINANCIAL HARDSHIP DEFERRAL OF FORECLOSURE POLICY**

FINANCIAL HARDSHIP DEFERRAL OF FORECLOSURE ON PRINCIPAL RESIDENCE PROPERTY

STATEMENT OF POLICY

The objective of the St. Clair County Treasurer is to assist delinquent taxpayers who are actively working to fulfill their Real Property Tax obligation in order to avoid foreclosure on any property the owner wishes to maintain. In order to ensure that all property owners in St. Clair 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 for deferrals 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 County Treasurer, a representative from the County Prosecutor's Office and a representative from the Human Services 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 the last day in February. The Show Cause Hearing is held during February, just prior to Foreclosure. The Review Panel will meet on an as-needed basis throughout the year. Applicants will be notified via telephone or letter upon approval or denial of their request for deferment.
4. Applicant must include the following with the application form:
 - 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 Poverty Exemption and their determination
 - E. Provide details of all attempts for assistance or borrowing and the result of this effort
5. 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. However, the Treasurer may consider extenuating circumstances that may have created a financial hardship even if the income level is above standards established.
6. 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.

7. 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
8. 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.
9. 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.
10. Upon approval of the deferral, the Treasurer and property owner will agree on a payment plan of the taxes in question, not to exceed twelve (12) partial payments and commencing the following month. Failure to make recommended payments may result in the Treasurer denying any future deferral requests.

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)
Source: *Federal Register*, Vol. 72, No. 15, January 24, 2007, pp. 3147–3148

As published on the website for US Department of Health and Human Services:
<http://aspe.hhs.gov/poverty/09poverty.shtml>

Percentage calculations as used by the St. Clair County Treasurer for determination of Hardship Deferment:

150% of HHS Poverty Guidelines:

Size of Family Unit	HHS Guideline Annual Income	St Clair County Guideline: 150% of HHS Guideline
1	\$10,830	\$16,245
2	14,570	21,855
3	18,310	27,465
4	22,050	33,075
5	25,790	38,685
6	29,530	44,295
7	33,270	49,905
8	37,010	55,515
For each additional person	add \$3,740	add \$5,610

<http://aspe.hhs.gov/poverty/09poverty.shtml>

INSTRUCTIONS

1. COMPLETE ALL SECTIONS OF THIS APPLICATION IN FULL. BE SURE TO SIGN THE APPLICATION.

2. IF YOU COMPLETE THE SECTION REGARDING UNIQUE CIRCUMSTANCES, YOU MUST PROVIDE SUPPORTING DOCUMENTATION WITH THE APPLICATION. THIS SECTION DOES NOT INCLUDE EVERDAY LIVING EXPENSES.

3. DO NOT SUBMIT ORIGINAL DOCUMENTS. SUBMIT COPIES OF RECORDS ONLY, AS THEY WILL NOT BE RETURNED.

4. IF THE APPLICATION IS INCOMPLETE OR YOU DO NOT INCLUDE COPIES OF THE DOCUMENTS REQUIRED, YOU MAY BE CONSIDERED INELEGIBLE FOR THE HARDSHIP DEFERRAL.

Application for Financial Hardship Deferral

Parcel ID Number:		
Taxpayer name		Age:
Add'l Taxpayer Name (s)		Age:
Property address:		
City, State, Zip:		
Daytime Phone number(s)		
Age(s) of Dependent(s):		

Employment information:

Company Name:	
Company Address:	

Monthly Income:

Taxpayer Income	\$
Spouse Income	\$
Social Security:	\$
Other Income (Please specify)*:	\$
Total Monthly Income:	
	\$

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

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		Expenses		
		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	\$	\$
Other Asset (s) Value	\$	Insurance premiums	\$	\$
		Other debt and liabilities (list):	\$	\$
TOTAL ASSETS:	\$	TOTAL LIABILITIES:	\$	\$
NET WORTH = ASSETS - LIABILITIES				\$

Please list any Extenuating or Unusual circumstances that 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.

 Taxpayer Signature Date Taxpayer Signature Date

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

**Financial Hardship Deferral Application
 St Clair County Treasurer
 200 Grand River Ste 101
 Port Huron MI 48060
 For questions, please call 810-989-6915.**