

**ANTRIM COUNTY TREASURER
COMMERCIAL AND INDUSTRIAL FINANCIAL HARDSHIP DEFERRAL
POLICY
Sherry A. Comben, Treasurer**

Authorization to withhold property pursuant to section 78h of The General Property Tax Act, 1893 PA 206, as amended, MCL 211.1-211.159("Act"),
Provides that a Foreclosing Governmental Unit may withhold from a petition for foreclosure, property, the title to which is held by a person undergoing a substantial financial hardship.

The object of Antrim County and the Antrim County Treasurer is to proceed in the best financial interest of the residence of Antrim County. In keeping with equal enforcement of the law, this usually means foreclosing on delinquent Real Property Tax obligations when they become due. In unusual circumstances owners of commercial or industrial properties facing foreclosure due to delinquent real property taxes may show it to be in Antrim County's best interest to defer foreclosure on those properties.

I. POLICY

Under Public Act 123 of 1999, as amended [Act 123], it is the policy of the Antrim County Treasurer [Treasurer] to withhold property from a petition for foreclosure for one year that is owned by a person undergoing substantial financial hardship as determined in accordance with the standards stated below.

II. PURPOSE

To provide the standards and procedures to be followed for the determination of whether a person owning property is eligible for a one-year deferment of their property from a petition for foreclosure filed by the Treasurer to recover delinquent property taxes.

III. APPLICATION

This policy applies to commercial and industrial properties for which the Treasurer is charged with the statutory responsibility for the collection of delinquent taxes and for which this Office is the foreclosing governmental unit under Act 123.

IV. GENERAL PROVISIONS

This policy should be read in conjunction with other policies and applicable laws, with specific reference to Public Act 123 of 1999, as amended.

V. PROCEDURE

1. Applications may be submitted any time after the property is in forfeiture, (March 1st, one year after delinquency) and not less than 28 days prior to the show cause hearing as provided for in MCL 211.78j. Applications will be available at the Treasurer's office. The Treasurer will assist taxpayers throughout the year.
2. Applications must be submitted upon the form provided by the Office of the Treasurer, and the application shall be returned to Office of the Treasurer.

3. A person requesting a deferral of their property from the foreclosure petition for reason of substantial financial hardship must:
 - a. Submit an application, notarized and attested by a person or officer of the corporation holding title to the property and shall submit the following information:
 - (1) State and Federal Tax Returns for the past 3 years.
 - (2) Provide in writing details of:
 - i. Outstanding Accounts Receivable
 - a. Including a detailed statement as to accounts receivable more than 60 days past due.
 - ii. Outstanding Accounts Payable
 - a. Including a detailed statement as to any arrearage or default.
 - iii. Pending financing agreements
 - iv. Pending contracts-income and expenses
 - v. Pending or threaten legal action
 - b. Provide Statement of Financial Condition as set forth on the application form. Applicant may be required to submit additional information as to their financial condition.
 - c. Provide detail statement of all attempts to obtain assistance or borrowing and the result of these efforts.
4. Applicant shall disclose conditions that may affect their ability to pay taxes; such factors may include, but are not limited to, the following:
 - a. Labor shortages
 - b. Outstanding obligations and source of income
 - c. Outstanding financial obligations due to condition/factors outside the individual's control
 - d. Recent loss of income source(s) due to loss of major customer or account, death, disability or loss of key personnel, etc.
5. Applicant shall submit other information that may be requested by the Treasurer.
6. Applicant shall appear, as agreed and scheduled by the Treasurer, for an interview on the application and bring any information requested by Treasurer.
7. Applicant may request that financial information being provided to be confidential as provided for in the Michigan Freedom of Information Act section 13 (1)(f).
8. Failure to provide information required by the application or by the Treasurer in a timely manner, failure to appear for interview as directed and/or providing false, misleading, or incomplete information shall be grounds for denial of hardship deferral.

VI Review of Application

1. The Treasurer's authorized representative, either a member of the staff of the Office of Treasurer or a member of the staff of the Prosecuting Attorney Office shall:
 - a. Review the application to ensure it has been completed and notarized;
 - b. Schedule an appointment with the applicant to review the application and supporting documentation, reminding the applicant of the documents to be brought to the interview;
 - c. If the applicant substantiates that they hold title to the property, and that their financial condition and other factors set forth herein are met, the Treasurer may grant a Hardship Deferral for one year, using the form attached as Exhibit B. The reviewer shall also orally advise the applicant that the grant of the application does not defer or waive payment of the taxes beyond one year and that interest, penalties and fees will continue to accrue as provided by the General Property Tax Act.
2. A panel consisting of the Antrim County Treasurer, Antrim County Prosecutor, Antrim County Clerk, and a representative from the Antrim County Board of Commissioners will review applications for Financial Hardship Deferral of Foreclosure received under this policy. Other representatives may be included on the panel as necessary.
3. The Review Panel will meet on an as-needed basis throughout the year.
4. Factors that may be taken into consideration in determining the granting of Financial Hardship Deferral are, but not limited to:
 - a. The overall financial condition of the person or company.
 - b. Number of employees who employment would continue.
 - c. Number of employees.
 - d. Good faith efforts of business.
 - e. Applicant's business plan.
 - f. Applicant's ability to make payment - now and in the future.
 - g. Antrim County's pecuniary interest will be protected.
 - h. Ability of business to eliminate all real and personal tax delinquency.
 - i. Economic base of the business.
 - j. If the applicant has exhausted all potential sources of assistance.
 - k. The likelihood continuation of the business if a Hardship Deferral is granted or denied.
5. Upon review of all materials submitted the Treasurer, upon conciliation of the Review Panel, shall make the final determination as to whether to grant or deny a Hardship Deferral. If the Treasurer declines to grant a Hardship Deferral such determination is not subject to direct judicial appeal, however an applicant may still request the circuit court to withhold the property from foreclosure as provided in MCL 211.78k(4)

6. If the foreclosing governmental unit withholds property from the petition for foreclosure, the lien for taxes due or the Treasurer's right to include the property in a subsequent petition for foreclosure is not prejudiced.
7. The granting of a Financial Hardship Deferral **DOES NOT AFFECT THE ACCRUING OF INTEREST, PENALTIES OR FEES**. The deferral only extends the time to pay the delinquent amount due. Interest at one and a half percent (1.5%) will apply monthly and any additional expenses continue to accrue on the parcel or parcels, increasing the tax liability. Ultimately, the Treasurer must determine if relief from foreclosure will enable the taxpayer(s) to pay the delinquent tax within twelve (12) months of the decision. If the taxes are deemed to be un-payable within the twelve months, deferral should not be granted. Although the recommendation of the Review Panel will be sought, by state Statute, deferral determination will be at the sole and absolute judgment of the County Treasurer.

VII. EXHIBITS

- A. Application for Withholding of Property from Forfeiture
- B. Notice of Determination Granting Application for Withholding

SHERRY COMBEN
ANTRIM COUNTY TREASURER

EXHIBIT A
Application for Financial Hardship Deferral

Property Number(s): _____ Property Address(es): _____

Property Description(s): _____

***** Attach a copy or copies of your most recent tax bill(s). Use additional sheets if necessary.

Company Name: _____ Contact Person: _____

Mailing Address: _____ City, State, Zip: _____

Phone Number: _____ Fax Number: _____

Number of full time employees: _____

Number of part time employees: _____

Contact person, Corporate name and mailing address if different than listed above:

Corporate Name: _____

Contact Person: _____

Mailing Address: _____

City, State, and Zip: _____

The applicant must provide a completed application form, and required documentation, and any other documents necessary to present your case. Return all pages of application and any supporting documentation to:

Antrim County Treasurer
P.O. Box 544
Bellaire Mi 49615
For questions, please call 231-533-8596 or fax 231-533-8021

For office use only:
Date received: _____ Date reviewed: _____
Payment plan agreement reached: _____ Date reached: _____
Deferral: NO YES Tax Year: _____ Time Deferred: _____

Financial Statement-Statement of Condition as of Today's Date

Assets		Liabilities		Total Owed
		Monthly Payment		
Cash on Hand	\$ _____	Mortgage	\$ _____	\$ _____
Checking Account	\$ _____	Accounts Payable		
Accounts Receivable	\$ _____	(Inventory, etc)	\$ _____	\$ _____
Real Property (Equity)	\$ _____	Employment Taxes owed to IRS	\$ _____	\$ _____
Personal Property (Equity)	\$ _____	Employment Taxes owed to State of MI	\$ _____	\$ _____
Materials in Inventory	\$ _____	Real Property Taxes (total all years)	\$ _____	\$ _____
Est. Net Value of Signed Sales Contracts	\$ _____	Personal Property Taxes (total all years)	\$ _____	\$ _____
	\$ _____	Employee Insurance Premiums	\$ _____	\$ _____
	\$ _____	Business Insurance Premiums	\$ _____	\$ _____
	\$ _____	Other debt And Liabilities (list)	\$ _____	\$ _____
	\$ _____		\$ _____	\$ _____
	\$ _____		\$ _____	\$ _____
	\$ _____	Proposed monthly Delinquent tax Payment	\$ _____	\$ _____
Total Assets:	\$ _____	Total Liabilities	\$ _____	\$ _____
		Net Worth=Assets - Liabilities		\$ _____

You may attach a statement detailing any unique or unusual circumstances that you feel should be considered by the Review Committee.

I (we) hereby make application to have the property identified above withheld from foreclosure due to substantial hardship, pursuant to Section 78h of the Michigan General Property Tax Act, MCL 211.78h. I (we) declare that the information provided is true and complete to the best of my knowledge. I (we) understand that the available relief is a withholding of the property from foreclosure for this year only, and that I (we) are responsible for the payment of the delinquent taxes, and all fees, penalties and interest. That providing false, incomplete or misleading information shall be grounds to deny this request. The review to denial of this applicant is limited to the review by the circuit court as provided for in MCL 211.78k(4).

The above statements and material provided are true to the best of my knowledge and belief and are made for the purpose of obtaining a 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 purposes of establishing or maintaining my property's eligibility.

Signature

Signature

Date

Date

October 28, 2004

EXHIBIT B
DETERMINATION ON APPLICATION TO WITHHOLD
PROPERTY FROM FORECLOSURE DUE TO SUBSTANTIAL HARDSHIP

TAXPAYER NAME:

TAXPAYER ADDRESS:

PROPERTY ID NUMBER:

DATE:

The Antrim County Treasurer has received and reviewed your application to withhold the above-identified property from foreclosure due to substantial hardship, pursuant to the provisions of Section 78h of the Michigan General Property Tax Act, MCL 211.78h. You have appeared for an interview and presented evidence of title to the property being held by you, and evidence that your financial condition of your business is thus that deferral is warranted.

The Treasurer determines that you have met the requirements of the statute and will withhold the above-identified property from foreclosure for the tax year. The grant of your application does not waive or defer payment of the taxes owed beyond one year. Fees and penalties will continue to be added and interest will continue to accrue until the taxes are paid.

Full payment of the delinquent taxes, together with all fees, penalties and interest must be received by the Antrim County Treasurer before the completion of the next tax year. If you have any questions on the total amount owed or the date by which payment must be made, please contact this Office at (231) 533-8596.

- Your application is denied for the following reason(s):
- You failed to present evidence that you hold title to the property that is subject to foreclosure for non-payment of property taxes.
 - You failed to present evidence that your financial condition warrants a deferral
 - You failed to provide evidence that granting a deferral is warranted because of
 - insufficient showing of continue employment of employees
 - insufficient showing as to number of employees
 - insufficient showing of good faith efforts of business
 - insufficient showing of a business plan
 - insufficient showing of applicant's ability to make payment - now and in the future
 - insufficient showing that Antrim County's pecuniary interest will be protected
 - insufficient showing of an ability of business to eliminate all real and personal tax delinquency
 - insufficient showing of an economic base of the business
 - insufficient showing of that applicant has exhausted all potential sources of assistance.
 - insufficient showing of a likelihood continuation of the business if a Hardship Deferral is granted or denied household income does
 - Other (state reasons)

Sherry Comben
Antrim County Treasurer
10/28/2004

**EXHIBIT C
WORKSHEET
APPLICATION TO WITHHOLD PROPERTY FROM
FORECLOSURE DUE TO SUBSTANTIAL HARDSHIP**

FORFEITURE IDENTIFICATION NUMBER:

PROPERTY IDENTIFICATION NUMBER:

TAXPAYER INFORMATION (NAME, ADDRESS)

DATE OF INTERVIEW:

The verification of review, items have been checked:

- Application complete in all fields and provided all required information
- Complete signature(s) and notarization.
 ___ Reviewer initials
- If not, application has been returned to applicant.*
 ___ Reviewer initials
- Applicant has requested confidential of material provided. ___ Reviewer initials
 If yes, Treasurer needs to confirm what material provided shall be confidential and
 has placed a description of the such information which shall be maintained in a
 central place within of office of Treasurer and such description shall be made
 available to a person upon request. ___ Reviewer initials
- Applicant advised to prior additional information (See file for record of what material
 was required)
 - 1. ___ Reviewer initials date _____
 - 2. ___ Reviewer initials date _____
 - 3. ___ Reviewer initials date _____
- Additional information provided
 - 1. Date provided ___ Reviewer initials ___
 - 2. Date provided ___ Reviewer initials ___
 - 3. Date provided ___ Reviewer initials ___
- Applicant has been contacted and appointment set to review the application and to
 bring evidence of holding title to the property. Date ___ Reviewer initials ___
- Applicant appeared for interview
- Title verified.
 - If not, Applicant has been orally advised that application is not accepted*

- Determination form completed and handed to Applicant at the conclusion of the interview, or has been mailed to the Applicant
- If deferral is granted applicant orally advised that the granting of the application does not defer or waive payment of the taxes beyond one year and that interest, fees and penalties will continue to accrue
- All supporting documentation was returned to the Applicant
Date _____ Reviewer initials _____
 - Copies retained
 - Copies not retained

Notes:

October 21, 2004