

AFTER TAX CREDIT IMPACT OF MILLAGE PROPOSAL

<u>Michigan Homestead Tax Credit</u>	<u>Federal Income Tax Deduction</u>
<p data-bbox="248 321 406 357">Seniors:</p> <ul data-bbox="308 367 812 850" style="list-style-type: none">• Credit is limited to \$1,200• Credit is reduced by 10% for each \$1,000 of household income above \$73,650 and is not available for households with incomes in excess of \$82,650.• Taxes are limited to 3.50% of household income for lower income Seniors• With additional taxes, the Homestead Tax Credit may increase the same amount as the tax increase for some Senior's <p data-bbox="248 903 487 938">Non-Seniors:</p> <ul data-bbox="308 949 812 1554" style="list-style-type: none">• Credit is limited to \$1,200• Credit is reduced by 10% for each \$1,000 of household income above \$73,650 and is not available for households with incomes in excess of \$82,650.• Once homestead taxes have reached 3.50% of household income, the lower income persons have to pay 40% of the excess rather than 100%• With additional taxes, the Homestead Tax Credit may increase thereby reducing the overall tax burden from the tax increase	<p data-bbox="836 357 1367 535">Property taxes are deductible for taxpayers that itemize on their Federal Tax Return. Depending on the tax bracket, the property tax increase may be reduced by 10-35%.</p>

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