

## **REQUIRED PROPERTY OWNER AFFIDAVITS**

### **TRANSFER AFFIDAVIT**

Changes in state law after Proposal A created the Property Transfer Affidavit. An affidavit must be filed whenever title of real estate or buildings on leased land is transferred. State law defines a “transfer of ownership” as “the conveyance of title to or present interest in property, including the beneficial use of the property.” Transfers include deeds, land contracts and variety of transactions outlined on the back of the affidavit form. It must be filed even if you are not recording a deed. Filing with the local assessor is mandatory.

Property Transfer Affidavits (form 2766) can be obtained from closing agents such as a title office, financial institution, attorney or the local assessor’s office. The new owner must file the affidavit with the local assessor within 45 days of the transfer without penalty. Failure to file could result in a penalty of \$5.00 per day for each day over 45 days not to exceed \$200.00.

### **HOMEOWNERS PRINCIPAL RESIDENCE EXEMPTION AFFIDAVIT**

Principal Residences are properties that serve as your principal home. State law grants a principal residence exemption from local school operating taxes for a principal residence and qualified agricultural properties. Currently this is a reduction of up to 18 mills of school tax. To qualify you must own the property and occupy it as your legal, primary residence. The deadline to qualify for any given year is May 1st of that year. Buyers who close and/or occupy the residence after that date are eligible for exemption in the following year.

To file a principal residence application, you are to use the affidavit for Homeowners Principal Residence Exemption (2368). This affidavit is to be filed with the local assessor.

### **RESCIND HOMEOWNERS PRINCIPAL RESIDENCE EXEMPTION AFFIDAVIT**

If you stop using your exempt property as your principal residence, you are required to file a Request to Rescind Homeowners Principal Residence Exemption (2602). This form must be filed within 90 days of the change. The exemption remains in effect through December 31<sup>st</sup> of that year.

If you are selling your home and purchasing a new one, which will be used as your new principal residence, you will need to file a rescind (2602) on the home you are selling and a new Principal Residence Exemption (2368) on the home you are purchasing if the new home will be your principal residence. The Michigan Department of Treasury recommends the forms be completed and distributed by the closing agents who supervise real estate transactions. Principal residence forms are also available in the assessor’s office. These forms are required to be filed with the local assessor.

Affidavits are also available online from the Department of Treasury at: [www.michigan.gov](http://www.michigan.gov) .