

NEZ Facts Customer Service

HOMESTEAD'S

- Must own and occupy after January 1st 1997
- Current year owners qualify for following tax year. (If purchased in 2019, NEZ H will be applied for 2020)
- Previous year owners qualify for current year. (If purchased in 2018, NEZ H will be applied for 2019)
- Taxes must be current, no delinquent taxes – this will be verified during processing and denied if taxes are delinquent. The taxpayer will receive a letter explaining the denial after the County delinquent taxes are confirmed.
- If a taxpayer has been denied and they resolve their delinquent tax issue, a paid receipt must be presented along with a new NEZ H application for reconsideration.
- Applications can be accepted all year.
- Applications turned in after October 1st will not be processed until the following year.
- Letters will be mailed once the application has been processed.
- Property purchased from Land Bank is not eligible for 5 years without a certificate of waiver.
- Certificates must be approved by City Council.
- 52 NEZ Homestead neighborhoods in the City of Detroit.
- In some instances, NEZ districts can overlay each other. If a NEZ New or Rehab certificate retires a certain year, and the property is in a NEZ Homestead district the owner can apply for the NEZ homestead for the year following the expiration of the New or Rehab certificate. Example; if the New or Rehab certificate expires 12/31/2019, the owner can apply for the NEZ Homestead for 2020.

NEW & REHAB

- New facility NEZs are assessed at market value but receive a reduced millage rate.
- Rehabilitation NEZs receive a frozen taxable value, but is levied at a standard millage rate.
- If the property sells; a NEZ “New” taxable value can uncap, a NEZ “Rehab” cannot uncap due to the frozen taxable value, as long as the certificate is active.
- If the property sells, the new owner needs to apply to the STC for an amended certificate so the new owner can be the certificate holder for the life of the certificate.
- If the property owner is eligible for a PRE, the PRE would be applied to both the Ad-Valorem and special acts parcel.