

Pay As You Stay (PAYS)

General Information

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Wayne County Treasurer



Pay As You Stay (PAYS)

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Introduction

Pay As You Stay (PAYS) may reduce the amount of delinquent taxes owed for lower income Homeowners who qualify for their city's, township's, or village's Poverty Tax Exemption (PTE).

Who can Benefit from PAYS?

PAYS can benefit those Homeowners who:

- 1) are owner-occupants with a Principal Residence Exemption (PRE),**
- 2) are approved for a Poverty Tax Exemption (PTE),**
- 3) have delinquent taxes, and**
- 4) are located in a city, township, or village that has not opted out of the PAYS Program.***

***The City of Detroit has not opted out and is participating. Their PTE is known as HPTAP (Homeowner's Property Tax Assistance Program).**

Taxpayers' First Steps

Homeowners who are Owner-Occupants should visit their local Assessor's office to:

- a. Confirm that they have the Principal Residence Exemption (PRE) for their home.
- b. Fill out and Submit the Poverty Tax Exemption (PTE) application to their local Board of Review for approval.*

* For Help with the PTE application:

- (a) Contact United Community Housing Coalition (UHC) at 313-963-3310 or Wayne Metro at 313-388-9799;
- (b) Go to a Quicken Loan Community Fund Workshop (PTeworkshops@QuickenLoans.com); or
- (c) Call the United Way at 211 or text HELP to 85274.

Treasurer's Office Notification

- A. Beginning April 1, 2020, the Wayne County Treasurer's Office (WCTO) will send Letters to Eligible Homeowners. The letters will reflect the Reduced Amount Due and Specific Dates to come in.

- B. During their assigned dates starting after April 15 , Homeowners will come into the WCTO and either:
 - (a) pay the Reduced Amount Due in a single Lump Sum payment, or
 - (b) enter into and sign a PAYS payment plan, agreeing to make monthly payments over a 3 year period (or less in some cases).

PAYS Eligibility

- A. Homeowners who have received a 2019 PTE and who have delinquent property taxes will be eligible for the PAYS Program.**

- B. Homeowners who have applied for and are awaiting a 2020 PTE approval must get into either an Interest Reduction Stipulated Payment Agreement (IRSPA) or a Distressed Owner Occupant Extension (DOOE) payment plan to avoid foreclosure.**

Reduced Amount Due

- A. If an eligible Homeowner's Delinquent Taxes* are greater than 10% of the home's Taxable Value (TV) = They will owe 10% of the TV.**
- B. If an eligible Homeowner's Delinquent Taxes are less than 10% of the home's TV = They are eligible to have interest, penalties & fees cancelled.**
- C. Any payments made during the calendar year on the homeowner's IRSPA or DOOE payment plan will be credited to the Reduced Amount Due, up to \$0 balance.**

* "Delinquent Taxes" refers to the Base Taxes owed on the WCTO property tax statement.

Lump Sum Payment Option

- A. Homeowners get a 10% deduction of the Reduced Amount Due and must pay the entire 90% balance in one Lump Sum payment. The payment must be made within 45 calendar days of the date on their PAYS letter of notification.**
- B. Homeowners must provide valid State of Michigan ID and pay the full amount due with certified funds (cash, credit and debit cards, money orders, and cashiers checks).**

PAYS Payment Plan Option

- A. Homeowner must enter into and sign the PAYS agreement along with the WCTO representative.**
- B. Homeowner must provide a valid State of Michigan ID and pay 3% of the Reduced Amount Due or \$25, whichever is greater.**
- C. If the Homeowner defaults on the PAYS agreement, they will be liable for all delinquent taxes, interest, penalties, and fees from the date of the original delinquencies and are subject to foreclosure.**

Pay As You Stay (PAYS)

Base Tax* due on WCTO Statement is MORE than 10% of Taxable Value

Date: 02/26/2020

Mailing **Smith, John**
address: 12345 Anywhere St.
Detroit, MI 48226

Parcel ID: 222222200000.

Tax	Base	Total Amt
<u>Year</u>	<u>Tax</u>	<u>Due</u>
2014	\$1,422	\$2,071
2015	\$1,789	\$2,519
2016	\$1,556	\$2,124
2017	\$969	\$1,349
<u>2018</u>	<u>\$1,812</u>	<u>\$2,017</u>
Total:	\$7,548	\$10,080

Calculation of Reduced Amount Due

2018 Taxable Value:	\$20,500
10% of 2018 Taxable Value:	\$2,050
- 2019 Calendar year payments:	\$620
Reduced Amount Due:	\$1,430

Payment Plan

Reduced Amount Due	\$1,430
- Initial Payment (3% of \$1,430):	\$43
Remaining balance (\$1,430 - \$43):	\$1,387

Monthly Payment (\$1,387 / 35): \$40 / month

LUMP SUM Payment

- 10% is deducted from the Reduced Amount Due
LUMP SUM Payment: \$1,430 x 90% = \$1,287

* WCTO Base Tax reflects the Delinquent Taxes turned over to the WCTO for collection from municipalities.

Pay As You Stay (PAYS)

Base Tax* due on WCTO Statement is LESS than 10% of Taxable Value

Date: 02/26/2020

Mailing address: **Williams, Mary**
6789 Somewhere St.
Detroit, MI 48228

Parcel ID: 333221109999.

Tax Year	Base Tax	Total Amt Due
2017	\$969	\$1,349
2018	\$1,812	\$2,017
Total:	\$2,781	\$3,366

Reduced Amount Due becomes Base Tax (interest, penalties, and fees are eliminated)

2018 Taxable Value: \$40,000
10% of 2018 Taxable Value: \$4,000

Reduced amount is Base Tax Due: \$2,781
- 2019 Calendar year payments: \$150
Reduced Amount Due: \$2,631

Payment Plan

Reduced Amount Due \$2,631
- Initial Payment (3% of \$2,631): \$79
Remaining Balance (\$2,631 - \$79): \$2,552
Monthly Payment (\$2,552 / 35): \$73 / month

LUMP SUM Payment

- 10% is deducted from the Reduced Amount Due
LUMP SUM Payment: \$2,631 x 90% = \$2,368

* WCTO Base Tax reflects the Delinquent Taxes turned over to the WCTO for collection from municipalities.

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Thank you!



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