



STATE HOME HEATING TAX CREDIT

(Tax Year 2002)

**Could You Use Help Paying for the
Cost of Heating Your Home?**

State Home Heating Tax Credit

1 What Is It?

The **Home Heating Tax Credit (HHTC)** is a state benefit available to eligible low-income households to help offset the cost of heating their homes. Cash Assistance recipients and persons who receive other public assistance may also be eligible for the Home Heating Tax Credit if they owned or rented a homestead in 2002.

2 Who Qualifies?

You may qualify if you own or rent a homestead in Michigan and your income is below the income limit. Residents of congregate care facilities are ineligible (i.e., adult foster care homes, nursing homes, homes for the aged and substance abuse treatment centers.)

3 How Does the Credit Work?

The credit is based on: 1) household income; 2) the number of exemptions claimed; and 3) the actual home heating costs. Use the tables below to see if you qualify for this credit. If you are eligible under both methods, claim the largest amount.

Standard Allowance Using the Standard Credit Computation Table A

<i>Your Exemptions</i>	<i>Maximum Credit</i>	<i>Income Limit</i>
0 or 1	\$342	\$9,771
2	461	13,171
3	579	16,543
4	698	19,943
5	816	23,314
6	935	26,714
	+ \$119 for each exemption over 6	+\$3,388 for each exemption over 6

Exemptions and Maximum Income Using the Alternative Credit Computation Table B

<i>Your Exemptions (from line 1.1)</i>	<i>Maximum Income</i>
0 or 1	\$10,922
2 or more	\$14,345

4 What Are The Available Exemptions and Deductions?

You may claim **one** exemption for each of the following:

- ✧ Yourself, unless you are claimed as a dependent on someone else's return;
- ✧ Your spouse;
- ✧ Your children who live with you even if their support comes from Cash Assistance or someone else;
- ✧ Any other dependent who lives with you (that you have custody of) and for whom you furnish more than half the support; and
- ✧ Seniors (age 65 and over) and disabled individuals may be eligible to claim an additional exemption.

Uses of the credit include: 1) The credit will be issued as a refund or energy draft. 2) If your heating payments are vendored through the Family Independence Agency, the credit will go directly to the utility company or heating fuel dealer.

If you are a renter who has heat included in the rent, or in someone else's name the credit is reduced by 50 percent, and a check is issued to you for the remaining amount.

5 Do You Need Help With Your Claim?

Call **1 (800) 367-6263** to request Form MI-1040CR-7, or call from a fax phone **1 (517) 241-8730** and receive forms by fax. Call **1 (800) 827-4000** to check on the status of your refund or claim, or **1 (800) 487-7000** for help in preparing your claim. After receiving your energy draft, if you have questions, you may call **1 (800) 373-3742**. Call the **Michigan Tele-Help System 1 (800) 827-4000** (ext. 331 for H.H.T.C.) for an automated system of information anytime. Web site: www.treasury.state.mi.us.



Remember...

You do not have to pay income tax or file a regular MI-1040 income tax form in order to get a Home Heating Tax Credit. Applications (MI-1040CR-7) can be filed as early as January 1, 2003 (if forms are available) for the previous tax year, but you **must** file before September 30, 2003.