

**Michigan Department of Treasury**  
**Instructions for Form 5047**  
**Qualifying Statement**

**Local Unit Basic Information**

This area is pre-populated at login. If the fiscal year-end month is incorrect, please contact the Community Engagement and Finance Division at 517-335-7469. If you have changed your fiscal year-end month, you will now be required to submit a formal statement of change. The statement must be from the Chief Administrative Officer of the municipality authorizing the new fiscal month end, the effective date, and the time period covered by the next financial audit. This statement of change may be submitted via email to [LAFD\\_Audits@michigan.gov](mailto:LAFD_Audits@michigan.gov).

If the municipality submitting the Qualifying Statement or Qualifying Statement Reconsideration is a non-primary municipality that does not file a separate audit, you will be required to select the primary municipality it is included with from the 'Audit Filed Under' field. If a non-primary municipality does not file a separate audit and the same municipality name is selected, your Qualifying Statement will be denied due to a delinquent audit.

**Other Filing Information**

Although Public Act 34 of 2001 requires the Chief Administrative Officer (CAO) to file the Qualifying Statement, that responsibility may be designated to a different individual. The filer will be required to certify that the authority has been designated by the CAO and both parties take responsibility for an accurate filing.

All required questions on the form are noted with a red asterisk and must be completed in order to submit the form. Once submitted, the user will be taken to the "Form Submission" page where a print option is available.

Upon successful submission, the Qualifying Statement will be reviewed, and the Department of Treasury's determination will be posted online in the [Document Search](#) site. In most cases, a determination will be made within one business day of receipt. If the status has been denied, a municipality may file a Qualifying Statement Reconsideration to correct noncompliance issues identified in the denial letter. Filing a Qualifying Statement Reconsideration is similar to filing the Qualifying Statement. After logging into the online filing system, select your county, local unit and type; select from the 'Form' drop-down list 'Qualifying Statement Reconsideration'; select the filing year and then create the form. The Qualifying Statement Reconsideration request must be completed in its entirety with the correct or amended information and a statement in the comment area to indicate why the information was changed.

**Issuing Information**

All required questions on the application are noted with a red asterisk and must be completed in order to submit the application. Dates should be entered as mm/dd/yyyy.

**Line by Line Instructions**

**Question 2.** An unlimited tax levy debt is a voter approved debt that is secured by a pledge of Ad Valorem taxes that are not limited in rate or amount. For 2a, this information may be found in the fund balance statements. For 2b, this information may be found in the Notes to the financial statements or in the resolution/ordinance approving the debt issue. Do not include limited tax debt.

**Question 3.** The statutory and constitutional debt limit is the maximum borrowing power of a governmental entity.

**Question 4.** If the municipality **does not** currently have any outstanding securities, answer 'NA'.

**Question 5.** If an item **does not** apply, select 'N'.

**Question 6.** If an item **does not** apply, select 'N'.

**Question 7.** For 7a, the delinquent taxes should agree with the delinquent taxes identified on the settlement report to the county treasurer. For 7b, property taxes should include both operating and debt taxes levied. The property taxes should not include specific taxes (i.e., Industrial Facility Taxes, Neighborhood Enterprise Zone, etc.) Special Assessments, SET Taxes, or Tax Administration Fees.

**Question 9.** Default can occur when the borrower has not made a scheduled payment of interest or principal or when a covenant is violated. **Amount of Issue Not to Exceed.** Indicate the requested amount of issuance. This should match or be less than the amount authorized in the resolution approved by the governing body.

**Question 10.** If the municipality did not end the fiscal year with a deficit, select 'NA'.