

2-1-12-26

TOWNSHIP BOARD
TAWAS TOWNSHIP
IOSCO COUNTY, MICHIGAN

RESOLUTION TO ADOPT POVERTY EXEMPTION INCOME GUIDELINES AND ASSEST TEST

Motion by M. Stewart, supported by C. Sheffer to adopt the following resolution:

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of the Supervisor and Board of Review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

WHEREAS, a Township Board is required by MCL 211.7u to adopt guidelines for the poverty exemption. The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household.

To be eligible for exemption under this section, a person must do all the following on an annual basis:

- 1.) Own and occupy as a principal residence the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the local assessing unit.
- 2.) File a claim with the board of review on a form prescribed by the state tax commission and provided by the local assessing unit, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year, and an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return.
- 3.) Accurately report on the provided Poverty Exemption Application that the combined assets of all persons residing in the primary residence do not exceed the overall asset limit of \$20,000. Assets include, but are not limited to, real estate other than the primary residence, personal property, motor vehicles, recreation vehicles and equipment, certificates of deposit, savings and/or checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4.) Produce, if requested, a valid driver's license or other form of identification.
- 5.) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption.
- 6.) Meet the Federal Poverty Income Guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body

providing the alternative guidelines do not provide eligibility requirements less than the Federal Guidelines.

7.) The application for an exemption shall be filed after January 1, but before the day prior to the last day of Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The following is a limit on the amount of assets an applicant can have:

- Limit on Cash Balances: \$10,00 (checking/savings). All bank statements must be submitted with application.
- One (1) personal vehicle is exempt from the overall asset value limit.
- Primary residence and up to ten (10) acres of land upon which it sets is excluded from the overall asset value limit. Excess land over five (5) acres will count toward overall asset limit.
- Annual dividend income (taxable & non-taxable) must be less than \$1,000.
- Overall Asset Value Limit: \$20,000

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that Township of Tawas, Iosco County, adopts that the Supervisor/Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption. As this policy and resolution do not establish specific guidelines for granting a 25% or 50% reduction in taxable value ass allowed by MCL 211.7u, the Board of Review shall be limited to a 0% reduction (denial) or 100% reduction (approval).

The foregoing resolution offered by Board Member M. Stewart.

Second offered by Board Member C. Sheffer.

Upon roll call vote the following voted:

"Yes": C. Sheffer, P. Westcott, M. Stewart, S. William

"No": none

RESOLUTION DECLARED ADOPTED.

M. Stewart
Melissa Stewart, Clerk

Date: 1/12/20

CERTIFICATION

As the Township Clerk, for Arenac Township, Arenac County, Michigan, I certify that this a true and complete copy of a resolution adopted by the Township Board of Arenac Township at its Regular Board meeting:

Date: 11/12/20

M. Stewart, Clerk