

Taxpayer Filing Requirements:

In order to receive a poverty exemption, a taxpayer must annually file a completed application form and all required additional documentation, with the Board of Review where the property is located. The application form may be obtained from the local unit where the property is located and may be submitted on or after January 1 but before the day prior to the last day of the December Board of Review during the year in which the exemption is requested.

To ensure an application is received in time to be heard by a Board of Review, the State Tax Commission recommends the claimant contact the local governing unit directly to verify deadline dates for submission of an application.

In addition to annually filing the application and affirmation of ownership; in order to be eligible for the poverty exemption, a taxpayer must do all of the following:

1. Own and occupy the principal residence.
2. Provide federal and state income tax returns for the current or immediately preceding year, including any property tax credits, for all persons **residing in the principal residence** (disclosure of the income of an owner who is not residing in the principal residence is not required). An alternative affidavit may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current or immediately preceding year. (See Form 4988, *Poverty Exemption Affidavit*)
3. Produce a valid driver's license, or other form of identification, if requested by the Board of Review.
4. Produce a deed, land contract, or other evidence of ownership of the property, if requested by the Board of Review.
5. Meet the federal poverty income guidelines determined annually by the U.S. Department of Health and Human Services.
6. Meet the asset level test adopted by **Elk Rapids Township**

Board of Review Responsibilities:

MCL 211.7u (**AMENDED**) indicates: The principal residence of persons who, in the judgment of the 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 this act.

Additionally, MCL 211.7u(5) states, in part: The Board of Review shall follow the policy and guidelines of the local assessing unit in granting or denying an exemption under this section.

When reviewing an application, the Board of Review should consider all information available to them at that time. They should consider all documentation originally submitted by the taxpayer and any additional relevant information that is available to the Board of Review.

Appeal Rights:

A property owner or assessor may appeal a decision of the March Board of Review by completing and submitting a petition to the Michigan Tax Tribunal no later than July 31 of the same year. A property owner or assessor may appeal a decision of the July or December Board of Review by completing and submitting a petition to the Michigan Tax Tribunal within 35 days of the July or December Board of Review's denial of the poverty exemption.

An application for poverty exemption, for a specific principal residence, may only be acted upon by the Board of Review once a year. If an application is denied at the March Board of Review, it may not be reheard by the July or December Board of Review during the same calendar year. The taxpayer must file an appeal of the March Board of Review determination to the Michigan Tax Tribunal. Similarly, if an application is denied at the July Board of Review, the December Board cannot rehear that application. The taxpayer must file an appeal to the Michigan Tax Tribunal.

A person who files a claim for poverty exemption is not prohibited from also appealing the assessment on the same property in the same year.

RESOLUTION # 2023-01

ELK RAPIDS TOWNSHIP GUIDELINE RESOLUTION FOR POVERTY EXEMPTION

WHEREAS, the adoption of Michigan Department of Treasury Application for MCL 211.7u Poverty Exemption form 5737 (01-21), Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty form 5739 (01-21) and posting such to the **Elk Rapids Township** website is required of the Township Board; and

WHEREAS, the adoption of the guidelines and policy for poverty exemptions is required of the Township Board; and

WHEREAS, the principal residence of persons, who the Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the Township of **Elk Rapids Township, Antrim County** adopts the following guidelines for the Board of Review to implement. 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, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) File a claim with the supervisor/assessor or Board of Review, 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 or a signed State Tax Commission Form 4988, *Poverty Exemption Affidavit*.
- 3) **Asset Level Test** - File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December 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 are the **2022** federal poverty income guidelines used for **2023** exemptions which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines Used in the Determination of Poverty Exemptions

| Size of Family Unit | 2022 Poverty Guidelines |
|----------------------------|-------------------------|
| 1 | \$ 13,590 |
| 2 | \$ 18,310 |
| 3 | \$ 23,030 |
| 4 | \$ 27,750 |
| 5 | \$ 32,470 |
| 6 | \$ 37,190 |
| 7 | \$ 41,910 |
| 8 | \$ 46,630 |
| For each additional person | \$ 4,720 |

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution offered by Township Board Member; **S. Boisvert**

and supported by Township Board Member; **M. Soper**

Upon roll call vote, the following voted:

“Aye”: **M. Szymanski, D. Amos, S. Boisvert, and M. Soper**

“Nay”: **0**

“Absent”: **R. Hults**

Township Clerk declared the resolution approved, January 9, 2023.

Shelley Boisvert, Clerk

Date