

2022 Freedom Township Board Resolution to Adopt Poverty Exemption Income Guidelines and Application

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;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that Freedom Township, Washtenaw County, adopts the following guidelines for the supervisor and 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.

To be eligible for exemption under this section, a person must do all of the following on an annual basis *per extension(s) as allowed under MCL 211.7u(6) and (8).*)

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested. Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested. Produce a valid driver's license or other form of identification if 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) 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.
- 4) 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.
- 5) Meet the maximum asset eligibility test as follows: Assets "other than" the taxpayer's (primary residence and usual household goods) valued at more than 50% of all annual household income will be considered and added to the household income to determine eligibility.
- 6) The revised Taxable Value with the Poverty Exemption, subject to the above guidelines, shall be the lesser of the current taxable value on the assessment roll and the following formula calculating the minimum taxable value via the Poverty Exemption Guidelines.

**(State of Michigan Homestead Tax Credit (MI 1040CR) + 3.5% of Income) / Current
Millage Rate = Minimum Taxable Value**

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 federal poverty income guidelines 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

Persons in family/household	Poverty guideline
1	\$12,880
2	17,420
3	21,960
4	26,500
5	31,040
6	35,580
7	40,120
8	44,660

For families/households with more than 8 persons, add \$4,480 for each additional person.

NOW THEREFORE, BE IT RESOLVED, that the Board of Review shall follow the above stated policy and guidelines in granting or denying exemptions. If the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the above policy and guidelines based upon extraordinary circumstances and these are documented in writing, then the Board of Review may deviate from the above guidelines.

The foregoing resolution offered by Bristle and supported by Layher.

The following vote "Aye": Bristle, Lindemann, Schaible, Huehl, Layher

The following voted "Nay": None

The following abstained: None

The Supervisor declared the resolution adopted.

Clerk

I, Valisa Bristle , the duly elected and acting Clerk of Freedom Township, hereby certify that the foregoing resolution was adopted by the township board of said township at the regular meeting of said board held on March 8, 2022 , at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.

Clerk

FREEDOM TOWNSHIP POVERTY EXEMPTION APPLICATION

I, _____, Petitioner, being the owner and residing at the property that is listed below as my principal residence, apply for property tax relief under MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893. The principal residence of persons who, by reason of poverty are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation per MCL 211.7u (1).

In order to be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PERSONAL INFORMATION: Petitioner must list all required personal information.

Property Address of Principal Residence:	Daytime Phone Number:	
Age of Petitioner:	Marital Status:	Age of Spouse:
Number of Legal Dependents:	Age of Dependents:	
Applied for Homestead Property Tax Credit (yes or no):	Amount of Homestead Property Tax Credit:	

REAL ESTATE INFORMATION: List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.

Property Parcel Code Number:	Name of Mortgage Company:	
Unpaid Balance Owed on Principal Residence:	Monthly Payment:	Length of Time at This Residence:
Property Description:		

ADDITIONAL PROPERTY INFORMATION: List information related to any other property you, or any member residing in the household owns.

Do you own, or are buying, other property (yes or no)? If yes, complete the information below.		Amount of Income Earned from Other Property:	
Property Address	Name of Owner(s)	Assessed Value	Amount & Date of Last Taxes Paid
		\$	
		\$	

EMPLOYMENT INFORMATION: List your current employment information.

Name of Employer:	Name of Contact Person:
Address of Employer:	Employer Phone Number:

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRA's (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

Source of Income	Monthly or Annual Income (indicate which)

CHECKING, SAVINGS AND INVESTMENT INFORMATION: List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.

Name of Financial Institution or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment

LIFE INSURANCE: List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payment	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

MOTOR VEHICLE INFORMATION: All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

LIST ALL PERSONS LIVING IN HOUSEHOLD: All persons residing in the residence must be listed.

First & Last Name	Age	Relationship to Applicant	Place of Employment	Amount of Monetary Contribution to Family Income

PERSONAL DEBT: All personal debt for all household members must be listed.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

MONTHLY EXPENSE INFORMATION: The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating:	Electric:	Water:
Phone:	Cable:	Food:
Clothing:	Health Insurance:	Garbage:
Daycare:	Car Expense (gas, repair, etc):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):

Notice: Any willful misstatements or misrepresentations made on this form may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

Notice: Per MCL 211.7u(2b), a copy of all household members federal income tax returns, state income tax returns (MI-1040) and Homestead Property Tax Credit claims (MI-1040CR 1, 2, 3 or 4) must be attached as proof of income or a signed Form 4988, *Poverty Exemption Affidavit*. Documentation for all income sources including, but not limited to, credits, claims, Social Security income, child support, alimony income, and all other income sources must be provided at time of application.

Petitioners: *Do not sign this application until witnessed by the Supervisor or Board of Review.* (Must be signed by Township Supervisor and Board of Review Members)

STATE OF MICHIGAN
COUNTY OF _____

I, the undersigned Petitioner, hereby declare that the foregoing information is complete and true and that neither I, nor any household member residing within the principal residency, have money, income or property other than mentioned herein.

Petitioner Signature

Date

Subscribed and sworn this _____ day of _____, 2019

Supervisor Signature: _____ Printed Name: _____

BOR Member Signature: _____ Printed Name: _____

BOR Member Signature: _____ Printed Name: _____

BOR Member Signature: _____ Printed Name: _____

This application shall be filed after January 1, but before the day prior to the last day of the December Board of Review to the address below.

Washtenaw County Equalization Dept.
Freedom Township Assessing
200 N. Main St. Suite 210
PO Box 8645
Ann Arbor, MI 48107

For BOR Use Only

Parcel Number N -14-____-____-____

State of Michigan Homestead Tax Credit (MI 1040CR) + 3.5% of Income) / Current Millage Rate = Minimum Taxable Value

Household Income: _____

Estimated Property Tax: _____

Current Taxable Value: _____

Income x 3.5% = Property Tax Non-Refundable by State of Michigan: _____

	Homestead (PRE) Millage Rate	Minimum Taxable Value for MI-1040CR
Non-Refundable Tax + \$1,200 = _____	/ _____	= _____

Notes:

Poverty Exemption: Granted _____ Percentage _____ Denied _____

BOR Member Signature: _____ Printed Name: _____

BOR Member Signature: _____ Printed Name: _____

BOR Member Signature: _____ Printed Name: _____

DECISIONS OF THE MARCH BOARD OF REVIEW MAY BE APPEALED BY PETITION TO THE MICHIGAN TAX TRIBUNAL BY JULY 31 OF THE CURRENT YEAR. JULY OR DECEMBER BOARD OF REVIEW DENIALS MAY BE APPEALED TO MICHIGAN TAX TRIBUNAL BY PETITION WITHIN 35 DAYS OF THE DENIAL. A COPY OF THE BOARD OF REVIEW DECISION MUST BE INCLUDED WITH THE PETITION.

Michigan Tax Tribunal
PO Box 30232
Lansing, MI 48909
Phone: 517-373-4400
E-mail: taxtrib@michigan.gov

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. **MCL 211.7u (2) (b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.**

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that **for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.**

Address of Principal Residence:

Signature of Person Making Affidavit

Date