

Friendship Township
Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test
Resolution 2020-01

WHEREAS, 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, the Township Board is required by Section 7u of the General Property Tax Act, Public Act 206 of 1893 (MCL 211.7u), to adopt guidelines for poverty exemptions;

and WHEREAS, pursuant to PA 390 of 1994, Friendship Township, Emmet 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, 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 homestead the property for which an exemption is requested.
- 2) File a claim with the Supervisor or Board of Review, accompanied by Poverty Exemption Affidavit or federal and state income tax returns for all persons residing in the homestead, including any Michigan property tax credit returns filed in the immediately preceding year or in the current year.
- 3) Produce a valid drivers' license or other form of identification if requested.
- 4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 5) Meet current federal poverty income guidelines as defined and determined by the United States Office of Management and Budget.
- 6) The subject homestead shall not exceed an S.E.V. of \$100,000.
- 7) Not own other assets as determined by the Board of Review totaling over \$10,000.00. Other assets include, but are not limited to the following:

Real estate other than the principal residence.

Motor vehicles, recreational vehicles and equipment, boats, and ATVs.

Certificates of deposits, savings accounts, checking accounts, stocks, bonds, life insurance, and retirement funds.

Jewelry.

Antiques.

Works of art.

Other personal property of value.

Gifts, loans, lump-sum inheritances, and one-time insurance payments.

Assets do not include essential household goods such as basic furniture, appliances, dishes, and clothing, federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches, and one vehicle per household member of driving age.

Appearance before the Board of Review. The applicant, or a representative of the applicant, will be required to appear before the Board of Review to respond to any questions that the Board or Supervisor may have concerning the exemption application.

- (a) An applicant may be called to appear before the Board on short notice.
- (b) An applicant may have to answer questions regarding the applicant's financial affairs, health, or the status of people living in the applicant's home before the Board at a meeting that is open to and will be attended by the public.
- (c) Applicants appearing before the Board may be administered an oath as follows: "Do you swear or affirm that the evidence and testimony you will give in your own behalf before the Board of Review is the truth, the whole truth, and nothing but the truth?"
- (d) The Supervisor may tape record and will keep minutes of all proceedings before the Board of Review.
- (e) If called to appear before the Board, physically challenged or infirmed applicants may call the Supervisor's Office to make necessary arrangements for assistance.
- (f) The Board of Review may, in its discretion, review poverty exemption applications without the applicant or the applicant's representative being physically present.

Pursuant to PA 390 of 1994, all local governing bodies shall make available the local policy and guidelines established for granting poverty exemptions to a requesting taxpayer.

NOW, THEREFORE, BE IT RESOLVED THAT the Supervisor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Supervisor and Board of Review determine there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

The foregoing resolution offered by Mac Gregor and supported by Ward

Upon roll call vote, the following voted: Aye: Mac Gregor, Ward, Troup, Van
Divner

Nay:

Resolution declared adopted.

Date: February 5, 2020

Janell Van Divner, Township Clerk