

Township of Sullivan Township

Resolution _____

POVERTY EXEMPTION

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

WHEREAS, the Principal Residence of persons, who the Supervisor/Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charges, 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 Sullivan, Muskegon 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 filed in the current or immediately preceding year;

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

- 1) File a claim with the Board of Review after January 1 and no later than the day before the December Board of Review begins. The claim for exemption should be submitted on form 5737 - Application for Poverty Exemption along with form 5739 - Affirmation of Ownership and Occupancy. For individuals not required to file a federal or state tax return, they must also file an affidavit affirming this on form 4988.

Note: The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.

- 2) Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget.

(Specific income guidelines are attached/included in this document.)

- 3) Attach copies of the following:
 - a) Federal and State Income Tax Forms for ALL persons residing in the home if required to file. If NOT required to file, form 4988 (affidavit) stating so needs to be submitted
 - b) W-2 forms
 - c) Copy of Deed or Land Contract
 - d) Valid Driver's License or other form of identification
 - e) Copies of the last four (4) months bank statements for ALL persons residing in the home
- 4) Meet asset levels of the of the following:
 - a) Liquid assets may not exceed \$3,000
 - b) Transportation — 1 per income provider
 - c) Recreational type vehicles — none
 - d) Total assets cannot exceed \$10,000 excluding your homestead

You must provide proof of income and assets to be considered for an exemption. Board of Review has final decision as to whether a poverty exemption should be granted and the amount of exemption. Poverty exemption must be applied for every year.

NOW, THEREFORE, LET IT BE RESOLVED

That the supervisor/assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution was moved by _____ supported by _____, and therefore adopted by the Board of Trustees of the Township of Sullivan, at a regular meeting held on

_____.

Roll Call Results as follows: _____

The Township Clerk declared the resolution _____.

Libby Spencer, Clerk

Date



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

Bulletin 19 of 2022
November 15, 2022
Procedural Changes for 2023

B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2023

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than \$23,030 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$23,030. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2023 assessments:

Size of Family Unit	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

Note: MCL 211.7u states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available. Please see STC Bulletin 3 of 2021 for more information on poverty exemptions.

Note: MCL 211.7u allows an affidavit (Treasury Form 4988) to be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year. This includes the owner of the property who is filing for the exemption.