

MARENGO TOWNSHIP POVERTY EXEMPTION APPLICATION

POLICY AND GUIDELINES 2023 TAX YEAR

A. POLICY

The Township Assessor and Board of Review will analyze all properly submitted applications for Poverty Exemptions, according to amended P.A.390 of 1994, section 211.7u of the Michigan Compiled Laws (MCL). Every taxpayer will be treated the same, and the items to be considered and the manner in which they will be analyzed are listed under the following guidelines.

B. APPLICATION GUIDELINES:

To be eligible for a Poverty Exemption you must complete all of the requirements below:

- 1) The primary applicant(s) must own and occupy the property as their principal residence. All owners and all occupants of the residence are required to include their financial information in the application process
- 2) Provide a copy of each person's valid Driver's license or State ID
Deed to property or Land Contract
Form 5737 (Application for Poverty Exemption must be filed)
Form 5739 (Affirmation of Ownership and Occupancy must be filed)
- 3) All owners and occupants must include (A current year, or, immediately preceding year) **signed** Federal Tax Returns & Michigan Income Tax Returns; including all supporting schedules, including any property tax credits. All submitted returns must be signed and dated. Form 4988 (Poverty Exemption Affidavit) may be filed for any person that was not required to file tax returns.
- 4) Income and Asset information are required for all owners and occupants of the property. Information regarding exemptions for dependents, elderly and disabled obtained from the Federal and Michigan Income Tax Returns will be noted.
- 5) You must apply on or after January 1 but before the day prior to the last day of the December Board of Review in the year the exemption is requested.
- 6) Must meet federal poverty guidelines for current year, or, alternative guidelines adopted by the local Board of Review and Assessing Unit. Also, must meet the asset level test adopted by the local assessing unit.

C. EVALUATION PROCEDURE

1. Applications may be reviewed by the Board of Review without the applicants being present. However, the Board may request that an applicant or their representative be available to respond to any questions the Board or Assessor may have. Board of Review meeting schedules will be made available to the applicants.
2. If requested, the applicants should be prepared to answer questions regarding their financial affairs, their health, and the status of people living in the household; and reasons why they are unemployed.
3. The Board of Review will follow the approved policy and guidelines to determine eligibility and the amount of the exemption (100%, 50%, or 25% exemption) The exemption percentage will be based on all of the information that is submitted to the Board.
4. The Board of Review must agree as to the disposition of the poverty claim for the exemption to be granted.
5. All information is subject to verification. The verification process can determine future ineligibility.
6. The Supervisor will keep minutes of all proceedings before the Board of Review. All meetings are to be held in a municipal building.
7. A person filing a poverty exemption claim may also appeal the same parcel assessment before the current March Board of Review.
8. The Board of Review shall follow the policy and guidelines of the Township in granting or denying an exemption under this section.

Asset and Income sources include but are not limited to the following;

Income from all sources :

Interest	Alimony	Child Support
Social Security	Dividends	Unemployment
Pensions	Insurance	General Assistance
IRA/Keogh Annuities	Cash	Retirement Accounts
Checking/Savings Accounts	Stocks/Bonds	Investments (Tangible/Intangible)
Deferred Compensation	Money Markets	Assets in Trust Accounts
New or Reverse Mortgages	Gifts	A second home or land
Campers, motor homes ATV	Jewelry, artwork	Equipment other than personal prop
Food stamps, school lunches	Inheritances	additional vehicles

D. INCOME AND ASSET TESTS

1. INCOME TEST:

The total household income shall not be higher than the current year Poverty Guidelines below:
The Michigan homestead property tax credit cannot be considered as income for the exemption.

WBT POVERTY GROSS INCOME/ASSET SCHEDULE

Family Size	Income Schedule
1.	\$13,590
2.	\$18,310
3.	\$23,030
4.	\$27,750
5.	\$32,470
6.	\$37,190
each additional person	4,720

2. ASSET TEST:

a.) If the investment-value of the applicant's assets calculates, at the stated interest rate, an income stream when added to the applicant's reported income, a sum that is less than the stated household income guidelines; then a poverty exemption may be granted. Underutilized assets and assets available for Investment will have an income stream estimated and included in the (IVY) calculations.

b) When income produces a sum greater than the stated household income guidelines, a poverty exemption may be denied. If the applicant's assets are of an amount which would indicate that a condition of poverty is not indicated, then a poverty exemption shall be denied. Liquid assets in excess of \$2,000 will be considered assets available for property tax payments.

E. CALCULATIONS:

1) The investment Value Yield (IVY) is calculated by multiplying the applicants' total assets available by the stated interest rate indicated below:

2.50% - savings, cash, money market, other short term assets

4.00% - stocks, bonds, other long term securities

4.00% - other long term assets.

Long term assets available for (IVY) calculations are defined as property underutilized whether real property or investment property. (see asset and income source examples)

2) The Total Household Income calculation includes the applicants' total income and assets determined from information requested above plus the (IVY) determined from Part E (1). Submit all appropriate documents needed to verify the application.

(Income + Investment Value Yield = Total Household Income (THI))

3) Total Household Income is compared to the current Township Poverty Income Schedule adopted by the Township Board.

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

Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

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.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.				
Petitioner's Name			Daytime Phone Number	
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents	
Property Address of Principal Residence		City	State	ZIP Code
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit		
PART 2: 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				
PART 3: ADDITIONAL PROPERTY INFORMATION				
List information related to any other property owned by you or any member residing in the household.				
<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property	
1	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid
2	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid

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PART 4: EMPLOYMENT INFORMATION — List your current employment information.

Name of Employer			
Address of Employer		City	State
Contact Person		Employer Telephone Number	
ZIP Code			

PART 5: INCOME SOURCES

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (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)

PART 6: 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

PART 7: LIFE INSURANCE — List all policies held by all household members.

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

PART 8: 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

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PART 9: HOUSEHOLD OCCUPANTS — List all persons living in the household.

First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 10: PERSONAL DEBT — List all personal debt for all household members.

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

PART 11: 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 (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

Continue and sign on Page 4

NOTICE: Per MCL 211.7u(2)(b), 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 must be submitted with this application. 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.

PART 11: POLICY AND GUIDELINES ACKNOWLEDGMENT

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 12: CERTIFICATION

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.

Printed Name	Signature	Date

This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
 PO Box 30232
 Lansing MI 48909

Phone: 517-335-9760
 E-mail: taxtrib@michigan.gov

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION — Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village			County
Name of Local School District			
Parcel Identification Number	Year(s) Exemption Previously Granted by Board of Review		
Homestead Property Address	City	State	ZIP Code
PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)			
<input type="checkbox"/> I own the property in which the exemption is being claimed.			
<input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.			
<input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)	Signature of Owner or Legal Designee	Date	
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax Year(s) exemption will be posted to tax roll	
CERTIFICATION — I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	