

RESOLUTION NO. 21-02-03

GUIDELINE RESOLUTION FOR 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/or 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 Charter Township of Grand Haven, Ottawa County has discussed and reviewed the following guidelines in Section 7.7 – “Granting Poverty/Hardship Exemptions” that the Grand Haven Charter Township Board of Review will implement.

NOW, THEREFORE, be it resolved that the Section 7.7 – “Granting Poverty/Hardship Exemptions” of the Grand Haven Township’s Administrative Policies and Procedures Manual is hereby replaced in its entirety by the following, to become effective immediately:

“7.7 GRANTING POVERTY/HARDSHIP EXEMPTIONS

In order to comply with the General Property Tax Act, P.A. 206 of 1893 as amended, Section 211.7u, which reads, in part, that “*the principal residence of persons who, in the judgment of the Board of review, by reason of poverty, are unable to contribute toward the public charges is exempt from taxation under this act*”, the following policy for applicants requesting consideration for poverty exemptions will be followed:

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 poverty exemption application with the Supervisor/Assessor or Board of Review (BOR), 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.
- 3) File a poverty exemption application reporting the combined assets of all persons in the household. 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, cash on hand, 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 BOR. The filing of this claim constitutes an appearance before the BOR for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.
- 8) In addition to meeting the federal poverty income guidelines in subsection 6, the BOR shall consider all assets owned by the petitioner, or in which the petitioner has any interest, during the BOR's deliberations as to whether relief should be granted. Specifically, the applicant must meet the following asset test, as determined and approved by the Township Board, including:
 - a. Own total household assets, other items, or additional assets (*excluding the value of the homestead and vehicles(s) as outlined in b below*) of less than \$25,000. "Other items" and "additional assets" include but not be limited to, recreational vehicles such as campers, motor homes, boats or ATV vehicles, and other personal property of value; and
 - b. Own no more than one vehicle for each working adult whose income contributes to the household income; and
 - c. Own no rental properties or a second home or vacation home or other property; and
 - d. Shall not have any cash, stocks and/or bank accounts exceeding \$5,000 in aggregate value; and
 - e. Shall not have received more than \$2,500 from the sale of any stocks and bonds, gifts, lump-sum inheritances, one-time insurance payments, or tax refunds during the previous or current calendar year.
- 9) All applicants appearing before the BOR will be administered an oath, as follows:

"Do you, _____, swear and affirm that 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?"

Applicant responds, "I do" or "I will".

- 10) The BOR may grant property tax relief based on poverty annually.
- 11) Any successful applicant may be subject to personal investigation by the Township. This would be done to verify information submitted or statements made to the Assessing and Accounting Department or BOR in regard to their poverty exemption application.
- 12) The Supervisor, or secretary of the BOR, will keep minutes of all proceedings before the BOR and all meetings must be held in a Township building or as directed by MDHHS/ Executive orders.
- 13) MCL 211.7u(5) permits the BOR to deviate from the aforementioned policy guidelines only when there are "*substantial and compelling reasons why there should be a deviation from the policy guidelines.*" If the BOR deviates from the aforementioned policy guidelines, they are required by statute to communicate the substantial and compelling reasons for the deviation from the guidelines in writing to the claimant."

BE IT FURTHER RESOLVED, that all policies, procedures, resolutions in conflict with this resolution to the Administrative Policies and Procedures Manual are hereby repealed to the extent of any such conflict.

