

## A Resolution to Modify Guidelines for Poverty Exemption from Property Taxes

### ODESSA TOWNSHIP POVERTY EXEMPTION & ASSET TEST GUIDELINES

**BY LAW, ALL BOARD OF REVIEW MEETINGS AND INFORMATION DISCUSSED ARE OPEN TO THE PUBLIC. EVIDENCE GIVEN TO THE BOARD OF REVIEW OR THE ASSESSOR IS SUBJECT TO THE FREEDOM OF INFORMATION ACT. REQUESTS FOR INFORMATION MAY BE RELEASED TO THE PUBLIC.**

1. All applicants must obtain and fill out State form #5737. The forms may be submitted to the local assessing unit on or after January 1 but at least 5 days prior to the Board of Review meeting during the year in which the exemption is requested.
2. Applicants must own and occupy the principal residence property for which the exemption is requested. The principal residence percentage, as determined by General Property Tax Law 211.7dd, will determine the percentage of property that can be considered for exemption.  
  
*"Principal residence"* means the one place where an owner of the property has his or her true, fixed, and permanent home to which, whenever absent, he or she intends to return and that shall continue as a principal residence until another principal residence established. Except as otherwise provided in this subdivision, principal residence includes only that portion of a dwelling or unit in a multiple-unit dwelling that is subject to ad valorem taxes and that is owned and occupied by an owner of the dwelling or unit.
3. Applicants cannot be considered for exemption if their total household gross income exceeds the federal poverty guidelines as established annually by the *Federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services.*
4. Asset Test: The following specific requirements for Poverty Exemption Assets as determined by the Boston Township Board shall be considered when applying for qualification for tax exemption:
  - A. Cash assets for the total household may not exceed one month's gross household income.
  - B. Non-cash assets for the total household may not exceed \$5,000. The following assets are excluded from this limit:
    - Applicant's principal residence
    - Applicant's household personal property
    - Applicant's interest in Indian trusts' lands
    - Assets not accessible by the applicant or co-owner or any member of the applicant's household.
5. The Board of Review will consider all revenue and non-revenue producing assets of the owner, co-owner, and all members of the households(s) as income. Any attempt to hide and/or shift income and/or assets to another person, business or corporation shall be grounds for immediate denial.
6. Applications must be filed every year on the State Form #5737. If granted, exemptions are in effect for one year only.
7. Applicants must produce a driver's license or other acceptable identification if asked by the Board of Review. Applicants must also produce a deed, land contract or other proof of property ownership if asked by the Board of Review.
8. Applications will be reviewed by the Board of Review. The Board may ask applicants or their authorized agents to be physically present to answer questions.
9. Applicants or their authorized agents may have to answer questions regarding such subjects as financial affairs, health and/or the status of people living in their home at a meeting that is open to the public.
10. All applications will be evaluated based on data and statements given to the Board by the applicant. The Board can also use information gathered from any other source.
11. The Board of Review shall follow the policy and guidelines established by the Township council in granting or denying an exemption.

- 12. The Board of Review is not permitted to deviate from the adopted policy and guidelines
- 13. Applicants may be subject to investigation of their entire financial and property records by the Township. This would be done to verify information given or statements made to the Board of Review or Township Supervisor in regard to their poverty claim.
- 14. Household income limits are updated each year, using the poverty thresholds established by the Bureau of the Census.
- 15. Applicants are required to provide federal and state income tax returns for the current or immediately preceding year, including any property tax credits, for all persons residing in the principal residence (disclosure of the income of an owner who is not residing in the principal residence is not required). 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. Instead, Form 4988, Poverty Exemption Affidavit may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current or immediately preceding year
- 16. Applicants will be sent a notice of the Board's final decision. An applicant may appeal the Board's decision to the Michigan Tax Tribunal. An assessor may also appeal the Board's decision. Appeals must be filed with the Tribunal by the following dates:
  - A. June 30th for decision made by March Board of Review
  - B. Thirty (30) days after the meeting for July and December Board of Review
- 17. If a taxpayer qualifies for the poverty exemption, the Board of Review can grant a 100%, 50%, or 25% reduction in taxable value. There are no other percentage reductions permitted unless approval is granted to the local unit by the State Tax Commission for additional percentage reductions.
- 18. Poverty exemption applications can be heard at the March, July, or December Board of Review. However, there can only be one Board of Review decision for a specific calendar year; a subsequent Board of Review cannot reconsider a decision already made that year. For example: if an application is denied at the March Board of Review, it may not be reheard by the July or December Board of Review during the same calendar year.

**NOW, THEREFORE, BE IT HEREBY 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 offered by Township Board Member Secor and supported by Township Board Member Caudill.

Upon a roll call vote, the following voted:

Secor	<input checked="" type="radio"/> aye	<input type="radio"/> nay	<input type="radio"/> absent
Williams	<input checked="" type="radio"/> aye	<input type="radio"/> nay	<input type="radio"/> absent
Rohrbacher	<input checked="" type="radio"/> aye	<input type="radio"/> nay	<input type="radio"/> absent
Caudill	<input checked="" type="radio"/> aye	<input type="radio"/> nay	<input type="radio"/> absent
Barrone	<input checked="" type="radio"/> aye	<input type="radio"/> nay	<input type="radio"/> absent

The supervisor declared the resolution adopted.

**CERTIFICATION**

I certify the above resolution was adopted by the TOWNSHIP OF ODESSA, County of Ionia, MI at a meeting duly held on the 9<sup>th</sup> day September 2024.

I, LISA WILLIAMS, duly qualified and elected clerk of the TOWNSHIP OF ODESSA hereby certify that the foregoing is a true and correct copy.

Lisa Williams (Clerk's signature)  
Lisa Williams, Clerk

Date: 9-9-24