

GUIDELINE RESOLUTION FOR POVERTY EXEMPTION

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Council
and

WHEREAS, the principal residence of persons, who the Assessor and 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 City of Leslie, Ingham 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, 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 principal residence the property for which an exemption is requested.
- 2) File a Michigan Department of Treasury Form 5737 Application for MCL 211.7u Poverty Exemption with the supervisor/assessor or Board of Review. Application must be 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 or a Michigan Department of Treasury Form 4988, Poverty Exemption Affidavit.
- 3) File a claim reporting that the combined assets of all persons do not exceed the current guidelines. 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, 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 OR by alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines. Alternative guidelines are set forth in Exhibit A.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. A copy of this application is set forth in Exhibit B also known as Michigan Department of Treasury Form 5737.

The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal. See Exhibit A for the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines 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.

Exhibit A

**2021-2022 Poverty Exemption Guidelines – City of Leslie, Ingham County
(To be used for 2022 applicants per STC)**

INCOME GUIDELINES

Size of Household	U.S. Federal Income Poverty Guidelines	City of Leslie Income Poverty Guidelines
1	\$12,880	\$13,500
2	\$17,420	\$18,000
3	\$21,960	\$23,000
4	\$26,500	\$27,000
5	\$31,404	\$32,000
6	\$35,580	\$36,000
7	\$40,120	\$42,000
8	\$44,660	\$46,600
Each Additional Person		\$4,650

*Income includes, but is not limited to income from employment, Social Security benefits, Veterans benefits, worker’s compensation, unemployment benefits, income from renters or boarders, farm income, alimony or child support, farm income, etc

Proof of income must be included in the application.

ASSET TEST

City of Leslie has adopted the following maximum asset standards for the **2022** year. The asset levels do not include the value of your homestead property.

Size of Household	Total Value of Assets (Adopted by City of Leslie 2021-2022)
1	\$25,000
2	\$30,000
3	\$45,000
4	\$50,000
5	\$55,000
6	\$60,000
7	\$65,000
8	\$70,000

*Assets include, but are not limited to stocks, bonds, vehicles (allowed one primary vehicle), boats, campers, farm equipment, motorcycles, trailers, real estate other than the primary residence, Individual Retirement Accounts (IRA), uncashed checks, money held by others, gaming/lottery winnings, etc.

PARTIAL POVERTY GUIDELINES

A partial poverty exemption is an exemption of only a part of the taxable value of the property rather than the entire taxable value. City of Leslie Board of Review has the authority to grant a full 100% reduction in taxable value OR a partial exemption equal to a 25% or 50% reduction in taxable value OR any other percentage reduction in taxable value approved by the STC. As of 2022, no other percentage reduction in taxable value has been approved for City of Leslie to utilize. Thus:

A full 100% exemption for any applicant that is at or below the above-mentioned income and/or asset test threshold.

A 50% exemption of taxable value for any applicant that is \$1,000 to \$2,000 over the above-mentioned income and/or asset test threshold.

A 25% exemption of taxable value for any applicant that is \$2,000 to \$4,000 over the above-mentioned income and/or asset test threshold.