

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 253 of 2020 (MCL 211.7u); and

WHEREAS, pursuant to PA 253 of 2020, 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 Forms 5737 & 5739 Application for MCL 211.7u Poverty Exemption (Exhibit C) with the 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 assets of all persons do not exceed the current asset guidelines as established in Exhibit B. 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
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Produce the additional following information before the Board of Review will act on a poverty exemption application:
 - Federal Income Tax Return (use Form 4988 if not filing income taxes)
 - State Income Tax Return (use Form 4988 if not filing income taxes)
 - Full year of bank account statements
 - Proof of monthly/yearly income
 - Full year of electric bill copies
 - Full year of heating bill copies
 - Full year of garbage bill copies
 - Full year of cable bill copies
 - Full year of internet bill copies
 - Documentation of food stamp/bridge card payments
 - Any other monthly bill copies

7) 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.

8) 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 C also known as Michigan Department of Treasury Form 5737 and Form 5739.

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.

The foregoing resolution offered by _____ (City Council Member).

_____ and supported by City Council Member

_____. Upon roll call vote, the following

voted: "Aye":

_____ "Nay":

_____ The

City Clerk declared the resolution _____.

_____ Clerk

Exhibit A

2026 Poverty Exemption Guidelines – City of Leslie, Ingham County

(To be used for 2026 applicants per State Tax Commission)

INCOME GUIDELINES

Size of Household	U.S. Federal Income Poverty Guidelines	City of Leslie Income Poverty Guidelines
1	\$15,060	\$15,650
2	\$21,150	\$21,150
3	\$26,650	\$26,650
4	\$32,150	\$32,150
5	\$37,650	\$37,650
6	\$43,150	\$43,150
7	\$48,650	\$48,650
8	\$54,150	\$54,150
Each Additional Person		\$5,500

*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.

Exhibit B

ASSET TEST

City of Leslie has adopted the following maximum asset standards for the **2026** year. The asset levels do not include the value of your primary residence real property.

Size of Household	Total Value of Assets (Adopted by City of Leslie 2026)
1	\$28,000
2	\$38,000
3	\$48,000
4	\$58,000
5	\$60,000
6	\$65,000
7	\$70,000
8	\$75,000

*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, federal non-cash benefit programs such as Medicare, Medicaid, food stamps, etc.

City of Leslie
Ingham County, Michigan

RESOLUTION TO ADOPT PARTIAL POVERTY EXEMPTION GUIDELINES

Motion by _____, supported by _____ to adopt the following resolution:

The State Tax Commission Policy regarding requests for percentage reductions in taxable value for poverty exemptions under MCL 211.7u Public Act 253 of 2020 Amended MCL 211.7u related to poverty exemptions:

PA 253 of 2020 lists the specific percentage reductions in taxable value that may be used by the board of review granting a poverty exemption.

MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the board of review shall grant the poverty exemption in whole or in part as follows:

1. A full exemption equals a 100% reduction in taxable value for the year in which the exemption is granted; or
2. A partial exemption equal to a 75% reduction in taxable value for the year in which the exemption is granted if \$0.01 to \$2,600 over the income/asset test; or
3. A partial exemption equals a 50% reduction in taxable value for the year in which the exemption is granted if between \$2,601 to \$3,300 over the income/asset test; or
4. A partial exemption equals a 25% reduction in taxable value for the year in which the exemption is granted between \$3,301 to \$4,600 over the income/asset test.

No other method of calculating taxable value may be utilized, except for those percentage reductions specifically authorized in statute or any other percentage reduction approved by the State Tax Commission (STC). The STC shall use the following process for the filing, review and approval of the local assessing unit requests to utilize a percentage reduction in taxable value when approving poverty exemptions under MCL 211.7u:

1. A local assessing unit that wants to use any other percentage reduction(s) in taxable value other than the reductions specifically authorized in statute must obtain permission for use of such percentage reduction(s) by filing Form 5738, Request for Approval of Percentage Reduction in Taxable Value for Poverty Exemptions under MCL 211.7u with the State Tax Commission.
2. The local assessing unit must indicate in Form 5738 the specific percentage reduction in taxable value requested and an explanation of how the requested percentage reduction(s) will be

calculated and applied when granted a poverty exemption. Based on case law, calculations that utilized any of the following are not permitted:

- a. A limitation on the maximum value of the principal residence eligible to receive an exemption;
- b. A requirement that the principal residence real property must be owned for a certain number of years before a claim for the poverty exemption can be made;
- c. A limitation on the number of years an exemption can be claimed and received.

The vote in favor of the resolution being as follows:

YEAS: _____

NAYS: _____

ABSENT: _____

Resolution declared adopted.

Dated: _____

CERTIFICATION

As the Clerk, for the City of Leslie, Ingham County, Michigan, I certify that this a true and complete copy of a resolution adopted by the City of Leslie Council at its Regular Council meeting of:

Date: _____

_____, Clerk