

**TOWNSHIP OF SHERMAN
PROPERTY TAX POVERTY EXEMPTION GUIDELINES**

(Pursuant to Public Act 390 of 1994) Adopted by the Township of Sherman Board on
January 5, 2026

**Adjusted to Federal Poverty Standards of January 5, 2026 for
2026 Assessments Filing Requirements**

In order to file and qualify for the property tax poverty exemption, the claimant must do all of the following and meet each of the following requirements annually:

1. Own and occupy the homestead property for which the exemption is requested.
2. File a claim with the board of review after January 1st but before the day prior to the last day of the board of review on a form provided by the local assessing unit. (Note: The filing of this claim constitutes an appearance before the March board of review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
3. Provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid driver's license or other form of identification if requested by the board of review.
5. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested if required by the board of review.
6. Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget which will be discussed later in this bulletin under the heading "Federal Poverty Income Standards".
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Township of Sherman Board
9. Meet any other tests that may be set by the Township of Sherman Board.
10. Provide a copy of all bank & financial statements.

INCOME STANDARDS

The following are current poverty threshold Income Standards provided by the United States Office of Management and Budget and issued to Michigan assessors by the Michigan State Tax Commission in Bulletin No. 15 of 2025.

1. In order to meet the requirement of the Income Standards the claimants annual gross household income cannot exceed the amounts stated below.

**FEDERAL POVERTY GUIDELINES TO BE USED IN THE DETERMINATION OF
POVERTY EXEMPTIONS FOR 2026**

<u>SIZE OF FAMILY UNIT</u>	<u>POVERTY GUIDELINES</u>
1	\$ 15,650
2	\$ 21,150
3	\$ 26,650
4	\$ 32,150
5	\$ 37,650
6	\$ 43,150
7	\$ 48,650
8	\$ 54,150
For each additional person, add	\$ 5,500

Ordinary income includes the following:

1. Money wages and salaries before any deductions.
2. Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
3. Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or share cropper, after deductions for farm operating expenses.
4. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, workers compensation, veteran's payments, or public assistance.
5. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships, and assistant ships.
8. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Ordinary income does not include the following, except as provided in number 6 above:

1. Money received from the sale of property, such as stocks, bonds, a house, or a car, unless the claimant is in the business of selling such property.
2. Withdrawals of bank deposits and borrowed money.
3. Income tax refunds and one-time insurance payments.
4. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
5. Federal non-cash benefit programs such as Medicare, Medicaid, food stamps and school lunches.
6. Gifts and lump-sum inheritances are not considered as ordinary income; however dividends, interest, rental proceeds, royalties, inheritances, and other similar receipts received on a period basis, which may be in the form of a gift or other form, including receipts resulting from divestment of assets, and which may have the appearance of income, shall be considered as unearned income and shall be included in the determination of income eligibility.

ASSET STANDARDS

Asset Eligibility Limitations

*In order to meet the requirements for assets, the total current fair market value of the claimant's household assets cannot exceed \$6,000.00, excluding homestead and vehicles.

*Claimant may not own more than 1 vehicle per licensed driver in household.

Definition of Assets (Non-Inclusive)

Assets include, but are not limited to the cash value of savings accounts and shares; certificates of deposit, investments such as stocks, bonds, mutual funds, deferred compensation accounts; equity in real estate other than the homestead for which the exemption is claimed, motor vehicles other than one primary transportation vehicle, jewelry, coins and other collectables, precious metals, and other similar possessions which are not essential to the subsistence or health and well-being of the claimant. Gifts, lump-sum inheritances, dividends, interest, rental proceeds, royalties, and other receipts received in the form of a gift, or as a result of asset divestment, shall be considered an asset if received on a one-time lump-sum basis and shall be included in the determination of asset eligibility.

Divestment of Assets

Divestment means a transfer of a resource. Transfer of a resource means giving up all or partial ownership in (or rights to) a resource. Examples include, but are not limited to, selling an asset, giving an asset away, refusing an inheritance, giving up the right to receive income, and other similar divestment actions.

If an application for property tax exemption has divested any assets during the period of 36 months preceding the date of the application, then such divestment shall be considered in the determination of eligibility.

ADDITIONAL STANDARDS

Partial Poverty Exemption

Act No 390 of Public Acts of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only part of the taxable value of the property for which an exemption is claimed, rather than the entire taxable value.

Appeal

A property owner may appeal the March board of review's decision on a poverty exemption claim to the Michigan Tax Tribunal by June 30. An appeal of a July or December board of review poverty exemption decision may be made to the Michigan Tax Tribunal within 30 days of the decision. Appeals are to be made in writing to:

Michigan Tax Tribunal,
P.O. Box 30232,
Lansing, MI 48909.

Resolution proposed by Board Member: Jamie Kukal and supported by Doug Berens

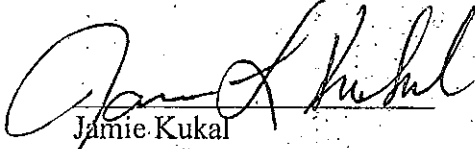
AYES: Karen Berens, Doug Berens, Ken Smalligan, and Jamie Kukal

NAYES:

ABSTAIN:

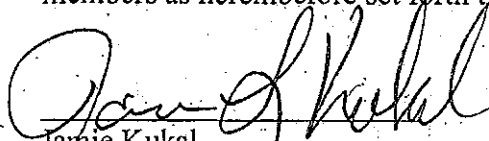
ABSENT: Stan Stroven

Supervisor declared the resolution adopted this January 5, 2026.


Jamie Kukal
Sherman Township Clerk

CERTIFICATION

I, Jamie Kukal, Clerk of Sherman Township, Newaygo County, Michigan, hereby certify that the foregoing resolution was adopted by the Township Board at the regular meeting of said board held on January 5, 2026, at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth that said resolution was ordered to take immediate effect.


Jamie Kukal
Sherman Township Clerk

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

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

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

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

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
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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

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