

**CURRENT POVERTY GUIDELINES,
INCLUDING THE ASSET TEST**

FERRIS TOWNSHIP

GUIDELINES AND ASSET LEVEL FOR POVERTY EXEMPTION

As provided by resolution#26-01 March 30, 2026 by Ferris Township Board

WHEREAS, the adoption of guidelines and an asset level test for poverty exemptions is required of the Township Board; and

WHEREAS, The Board of Review may grant property tax exemptions (in whole and in part) to the principal residence of persons who, in the judgement the Board of Review, are by reason of poverty unable to contribute toward the public charges. MCL 211.7u(1). AND

WHEREAS, pursuant to PA 390 of 1994 (MCL 211.7u), the Township Board of FERRIS, Montcalm County adopts the following guidelines and asset level test for the Board of Review to follow.

The Board of Review must grant a full exemption equal to a 100% reduction in taxable value OR a partial exemption equal to a 25% or 50% or 75% reduction in taxable value OR any other percentage reduction in taxable value approved by the STC- if the applicant meets the eligibility requirements as outlined. Guidance for a partial exemption is given in the attached document provided by the State Tax Commission titled: STATE TAX COMMISSION POLICY REGARDING REQUESTS FOR PERCENTAGE REDUCTIONS IN TAXABLE VALUE FOR POVERTY EXEMPTIONS UNDER MCL 211.7u

Guidelines & Asset Level for Poverty Exemption

A property owner shall meet the following eligibility requirements annually for the exemption to be granted, in whole or in part, by the Board of Review:

- 1) The applicant must own and occupy the subject property as their “**PRINCIPAL RESIDENCE**” as that term is defined in MCL 211.7dd.
- 2) Produce a valid driver license or other form of identification showing proof of residency.
- 3) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 4) Completely fill out and file the following affidavits, along with all required supporting documentation, with the Township Assessor’s Office each year after January 1 but no later than the week prior to the last day of the December Board of Review.
 - i) **File a Poverty Exemption Application: Form 5737 Application and Affirmation for Poverty Exemption (MCL 211.7u).**
 - ii) **Provide Federal/State Income Tax returns for applicant and all persons residing in the principal residence-** Provide copies of federal and state income tax returns for applicant AND all persons residing in the principal residence including any property tax credit returns. Homestead property tax credits will not be counted as income. The returns provided shall include those filed in the current year or in the immediately preceding year.
And/or
 - iii) **File Treasury form 4988** with the Poverty Application for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year.
- 5) Annual allowable income includes income for **all persons residing in the principal residence** must not exceed the limits set forth in the guidelines adopted by the local assessing unit.
 - Allowable income: To meet allowable income eligibility, the applicant’s **total household gross income** (gross income is the total amount of money earned before taxes and other deductions) must not exceed the Federal Poverty Guidelines published in the prior calendar year by the U.S. Department of Health and Human Services as provided by the State Tax Commission. For example, a 2026 application uses 2025 Federal Poverty Guidelines figures)

6) The applicant must not exceed the household asset level test established by the Ferris Township Board.

The Asset Level Test is determined by the FERRIS Township Board to be:

Pursuant to Resolution No. 26-01, the Township Board requires the applicant to provide written documentation identifying all household assets.

The Township Board has established the following allowable assets and maximum asset levels for applicants and household members:

- Household assets, except the homestead being claimed, essential household goods and one motor vehicle, shall not exceed \$10,000.
- An exemption shall not be granted if the applicant owns real property other than the principal residence. However, a joint ownership interest, life estate or remainder interest in property that is the principal residence of another person shall not be considered ownership for purposes of this guideline.

Assets include, but are not limited to:

- real estate other than the principal residence
- motor vehicles,
- recreational vehicles (travel trailers, boats, all-terrain vehicles, and equipment,
- Bank accounts (checking and savings)
- Certificates of deposit (CD'S)
- stocks, bonds, and retirement funds.

Assets do not include essential household goods such as furniture, appliances, dishes and clothing and personal effects.

The filing of the **Poverty Exemption Application: Form 5737 Application and Affirmation for Poverty Exemption** constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

The application and all required documents shall be filed annually with the Assessor after January 1, but before 1 week prior to the last day of the December Board of Review to allow processing time.

Address of the Assessor:

**FERRIS TOWNSHIP BOARD OF REVIEW
c/o HEATHER HOFFMAN, ASSESSOR
PO BOX 175
LOWELL, MI 49331**

Failure to file all required documents will result in an incomplete application- attempts to contact applicant for correction, will be taken.
