

Resolution 2024-1

TOWNSHIP OF BARTON PROPERTY TAX POVERTY EXEMPTION GUIDELINES FOR TAX YEAR 2024 2024 Assessments Filing Requirements (Pursuant to Public Act 390 of 1994)

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of the supervisor, assessor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

WHEREAS, a township board is required by MCL 211.7u to adopt guidelines for the poverty exemption;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that **Barton Township**, Newaygo County, adopts the following guidelines for the supervisor, assessor and 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 person residing in the household.

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 Barton Board**
9. Meet any other tests that may be set by the **Township of Barton 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. 18 of 2023.

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 2024

<u>SIZE OF FAMILY UNIT</u>	<u>POVERTY GUIDELINES</u>
1	\$ 14,580
2	\$ 19,720
3	\$ 24,860
4	\$ 30,000
5	\$ 35,140
6	\$ 40,280
7	\$ 45,420
8	\$ 50,560
For each additional person, add	\$ 5,140

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.

BE IT ALSO 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 Board Member Vicki Lee and supported by Board Member Daryl Gange

Upon roll call vote, the following voted "Aye:" 6 "Nay:" 0

The Supervisor declared the resolution adopted. 12-12-2023

I, Paul Roszell, the duly elected and acting Clerk of Barton Township, hereby certify that the foregoing resolution was adopted by the township board of said township at the regular meeting of said board held on December 12th, 2023, 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.

Paul Roszell Clerk.

Barton Township