

EUREKA CHARTER TOWNSHIP
POVERTY EXEMPTION INCOME GUIDELINES & ASSET TEST POLICY
0-12

PURPOSE:

The General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgement of the Supervisor 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. A Township Board is required by MCL 211.7u to adopt guidelines for poverty exemption.

OVERSIGHT RESPONSIBILITY:

The Township Board of Review shall follow the policy and guidelines when making poverty exemption decisions. The same standards shall apply to each claimant for the assessment year. Poverty exemptions will be applied at 100%; no partial exemptions will be granted.

POLICY:

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.

To be eligible for exemption under this section, a person must do all the following on an annual basis:

A. Annual Eligibility Requirements

1. Own and occupy as a principal residence the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the local assessing unit.
2. File a claim with the Board of Review on a form prescribed by the State Tax Commission with the local assessing unit.
3. Produce a valid driver's license or other form of identification if requested by the Supervisor or Board of Review.
4. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the Board of Review.
5. Meet the Federal Poverty Income Guidelines as defined and determined annually by the United States Office of Management and Budget.
6. Have total assets, of all persons residing in the principal residence, which do not exceed the current maximum asset guidelines established by the Eureka Charter Township Board. Assets include but are not limited to, real estate other than principal residence, personal property, additional motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc. The maximum total assets, other than a vehicle, customary personal property, and the homestead being claimed may not exceed \$5,000 per claimant or \$10,000 per household, whichever is less. These maximums may be changed by the Township Board once per year prior to the first meeting of the Board of Review in March.
7. Provide any further requested information and answer completely all questions posed by the Board of Review.

B. Other Considerations

1. If a claimant owns more than 1 acre of land with his/her dwelling, the excess acreage may be considered as an asset.
2. If an application is incomplete or if a claimant fails to disclose all sources of income and assets of all persons residing in the household, the exemption will be denied.
3. If a claimant refuses to answer or provides false or misleading answers to any other questions, the exemption will be denied.

MODIFICATIONS TO THE POLICY:

If necessary, modifications will be made to the policy and submitted to the Board of Trustees for adoption. The Township reserves the right to modify or discontinue this policy at any time.