

TOWNSHIP OF INGHAM INGHAM COUNTY, MICHIGAN

At a regular meeting of the Board of Trustees of Ingham Township, held at the Ingham Township Hall, 1420 Johnson St, Dansville, MI 48819, on February 16, 2023 at 7:00 p.m.

PRESENT: Supervisor Harris, Clerk LaGrow, Treasurer Speck, Trustee Harns, Trustee Braman

ABSENT: None

RESOLUTION FOR POVERTY EXEMPTION

The motion to support the following resolution was made by Member LaGrow and seconded by Member Harns.

WHEREAS, the adoption of guidelines for poverty exemptions is required of the Township Board; and

WHEREAS, the principal residence of persons, who the 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 No. 253; Public Acts of 2020; Enrolled Senate Bill No. 1234; MCL 211.7u Poverty Exemption; and**

WHEREAS, pursuant to **PA 253 of 2020**, the Township of Ingham, 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 claim with the supervisor/assessor or Board of Review, 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.
- 3) File a claim reporting that the combined assets of all persons do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor 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 if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.

- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the Board of Review. 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.

**Federal Poverty Guidelines Used in the Determination of
Poverty Exemptions for 2023**

The following are 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.

Number of Persons Residing in the Principal Residence	Poverty Guidelines
1	\$13,590
2	\$18,310
3	\$23,030
4	\$27,750
5	\$32,470
6	\$37,190
7	\$41,910
8	\$46,630
For each additional person	\$4,720

Maximum value of all additional assets shall not exceed \$30,000

Test 1: Poverty Income Guidelines	(If the applicant meets the poverty income guidelines) Test 2: Asset Test
According to U.S. Census Bureau, "income" includes: <ul style="list-style-type: none"> • Money, wages and salaries before any deduction. • Net receipts from nonfarm self-employment. (These are receipts from a person's own business, professional enterprise, or 	Additional assets to be considered for exemption: <ul style="list-style-type: none"> • More than one (1) vehicle • More land than a minimum "footprint" for the home • Equipment of other personal property of value, including

<p>partnership, after deductions for business expenses.)</p> <ul style="list-style-type: none"> • Net receipts from farm self-employment. (With the same provisions as above for self-employment.) • Regular payments from social security, railroad retirement, unemployment, workers' compensation, veterans' payments, and public assistance. • Alimony, child support, and military family allotments. • Private pensions, government pensions, and regular insurance or annuity payments. • College or university scholarships, grants, fellowships, and assistantships. • Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings. 	<p>recreational vehicles (campers, motor homes, boats, ATVs, etc.)</p> <ul style="list-style-type: none"> • Bank account(s) • A second home • Buildings other than the residence • Equity in the residence • Jewelry • Antiques • Artwork • Equipment • Stocks • Money received from sale of property unless a person is in the business of selling such property. • Withdrawals of bank deposits and borrowed money. • Gifts, loans, lump-sum inheritances, one-time insurance payments. • Food or housing received in lieu of wages and value of food and fuel produced and consumed on farms. • Federal noncash benefits programs such as Medicare, Medicaid, food stamps, school lunches
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MCL 211.7u, which deals with poverty exemptions, was significantly altered by **PA 253 of 2020** and was further amended by **PA 390 of 1994** and PA 620 of 2002.

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services.

Note: PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available. Please see STC Bulletin 5 of 2012 for more information on poverty exemptions.

Note: PA 135 of 2012 changed the requirements for filing documentation in support of a poverty exemption to allow an affidavit (Treasury Form 4988) to be filed 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. This does include the owner of the property who is filing for the exemption.

NOW, THEREFORE, BE IT HEREBY RESOLVED the Board of Review shall follow the above stated policy and federal guidelines in granting or denying a poverty exemption. If a person meets all eligibility requirements in the statute, 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% reduction in taxable value OR any other percentage reduction approved by the State Tax Commission.

Upon roll call vote, the following voted:

"Aye": Members: Harris, Speck, Harns, LaGrow, Braman

"Nay": None

Absent: None

The resolution was declared adopted.



Ingham Township Clerk