

KEENE TOWNSHIP, IONIA COUNTY, MICHIGAN
GUIDELINES AND ASSET LEVEL TEST FOR POVERTY EXEMPTION

Township Resolution # 11-28-23

Amending Resolution # 11-14-23A

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment 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; and

WHEREAS, a township board is required by MCL 211.7u to adopt guidelines and an asset level test for the poverty exemption;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that KEENE Township, Ionia County, Michigan, adopts the following guidelines for the supervisor and board of review to implement.

The Board of Review must grant a full exemption equal to a 100% reduction in taxable value OR a partial exemption equal to a **75%, 50%, or 25% reduction** in taxable value if the applicant meets the eligibility requirements as outlined. No other percentage adjustment shall be granted.

GUIDELINES AND ASSET TEST AS FOLLOWS:

To be eligible for exemption under this section the General Property Tax Act, MCL 211.7u, a person must do all of the following on an annual basis

1. The applicant must own and occupy the subject property as their "**PRINCIPAL RESIDENCE**" as that term is defined in MCL 211.7dd.
2. Fill out completely and file the following with the township assessor's office:
 - i) File Form 5737 *Poverty Exemption Application- Application for MCL 211.7u Poverty Exemption*, and
 - ii) File Form 5739 *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*, and
 - iii) File all required additional documentation (such as federal/state income tax returns) with the assessor's office each year after January 1st but before the week prior to the last day of the Board of Review in December.
 - Address of the Assessor:
KEENE TOWNSHIP BOARD OF REVIEW
c/o HEATHER HOFFMAN, ASSESSOR
PO BOX 175
LOWELL, MI 49331
3. 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). These income tax returns shall include those filed in the current year or in the immediately preceding year.

4. Treasury form 4988 shall be filed 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. Produce a valid driver license or other form of identification if requested by the supervisor or board of review.
6. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the Supervisor or Board of Review.
7. If the applicant's total household gross income is not more than 5% (1.05) above the federal Poverty Level Guidelines, which are published annually in the Federal Register by the U.S. Department of Health and Human Services, and if the requirements of the asset level test are met, the exemption shall be 100%.
8. **If the asset level test requirements are met, and the applicant's household income level is not more than 7.5% (1.075) above the federal poverty level, a Board of Review shall provide a 75% reduction of taxes. If the asset level test requirements are met, and the applicant's household income level is not more than 10% (1.10) above the federal poverty level, the Board of Review shall provide a 50% reduction of taxes. If the asset level test requirements are met, and the applicant's household income level is not more than 15% (1.15) above the federal poverty level, the Board of Review shall provide a 25% reduction of taxes.**

Note: For determining the current tax year poverty exemption, the prior year's federal poverty guidelines numbers must be used. Example: 2023 tax year exemption -use 2022 poverty exemption guidelines figures.

9. The Asset Level Test is determined by the Keene Township Board to be:
 - Household assets, except the homestead being claimed, essential household goods and the first \$10,000 of the market value of all motor vehicles, must not exceed:
 - (a) \$10,000 for the claimant;
 - (b) \$20,000 for the household.

Assets include, but are not limited to real estate other than the principal residence, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, retirement funds, and reverse mortgage payments. Assets do not include essential household goods such as furniture, appliances, dishes and clothing.

The filing of the Form 5737 constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

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 Member/Township Board Member Bob Schafer and supported by Member/Township Board Member Brett Hulliberger.

Upon roll call vote, the following voted:

"Aye": 3

"Nay": 0

The Supervisor declared the resolution adopted.

I, Tami Hardy, the duly elected and acting Clerk of Keene 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 11-28-23 , 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.

The Township Clerk declared the resolution ADOPTED ON: 11-28 ,2023 _____.

Tami Hardy