

### Township Board Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test

WHEREAS, 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, the township board is required by Section 7u of the General Property Tax Act, Public Act 206 of 1893 (MCL 211.7u), to adopt guidelines for poverty exemptions;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that Vernon Township, Isabella County, adopts the following guidelines for the supervisor 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 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 homestead the property for which an exemption is requested.
- 2) File a claim with the supervisor or board of review, accompanied by federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns filed in the immediately preceding year or in the current year.
- 3) Produce a valid drivers' license or other acceptable form of identification as determined by the supervisor if requested.
- 4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 5) Meet the poverty income guidelines determined and adopted by the Vernon township board at a rate of 125 percent of the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget
- 6) The board of review may consider a property tax exemption ranging from 10% to 100% but in no event shall it grant any property tax exemption if the total value of assets exceeds 7.5 times the value of the property tax liability. In calculating the total value of assets, the board of review shall not include the equity in the homestead parcel and up to no more than 10 acres of land included in said homestead parcel, plus any homestead income tax credit the claimant is eligible for when filing his/her income tax return.

BE IT ALSO RESOLVED that the board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the board of review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these are communicated in writing to the claimant.

Moved by Member, Browning Supported by Member, Allen

Upon a Roll call vote, the following voted:

J. Bean (Supervisor) X

J. Bean (Supervisor)	<u>4</u>
S. Allen (Treasurer)	<u>4</u>
Lee. Cole (Trustee)	<u>-</u>

L. Cole (Clerk)	<u>4</u>
B. Browning (Trustee)	<u>4</u>

Total: Aye Votes: 4 Nay Votes: 0

The Supervisor declared this resolution X Adopted; \_\_\_\_\_ Not Adopted.

Clerk

I, Loren Cole, the duly elected and acting Clerk of Vernon 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 Feb 3, 2020, 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.

Clerk