

**CITY OF GROSSE POINTE WOODS**

**WAYNE COUNTY, MICHIGAN**

**RESOLUTION ADOPTING POVERTY EXEMPTION POLICY AND GUIDELINES**

At a regular meeting of the City Council of the City of Grosse Pointe Woods, Wayne County, Michigan, held on the 3rd day of February, 2025, at 7:00 p.m.

PRESENT: Brown, Bryant, Gafa, Granger, Koester, McConaghy, Motschall

ABSENT: None

The following resolution was offered by Councilmember \_\_\_\_\_ and seconded by Councilmember \_\_\_\_\_:

**WHEREAS**, the adoption of guidelines for poverty exemptions is required of the City Council 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 part from taxation under Public Act 253 of 2020 (MCL 211.7u); and

**WHEREAS**, pursuant to PA 253 of 2020, the City of Grosse Pointe Woods, Wayne County adopts the following policy for the Board of Review to implement.

1. Exemptions will be granted to owners of homesteads only. Property must be granted at least a 50% homestead exemption from the State of Michigan.
2. Per, MCL 211.7u(3), the application for consideration must be received by the Assessor's Office at least one day prior to the last session of the Board of Review. The application can be made by mail, if received one day prior to the last session of the Board of Review.
3. All applicants must file a claim with the Board of Review on a form prescribed by the State Tax Commission. The application must be filled out in its entirety and all requested documentation must be attached. If an area does not apply to the applicant, "N/A" must be used. If the application is not complete or requested documentation is not included, the Board of Review will deny the exemption. All pages included with this application must be returned when the application is submitted for review.

4. Per MCL 211.7u(7), a person who files a claim for Poverty exemption IS NOT prohibited from also appealing the assessment on the property to the Board of Review in the same year.
5. The poverty threshold for eligibility for a poverty exemption is the Federal income standards established by the United States Office of Management and Budget for the previous calendar year. To be eligible for a poverty exemption from property taxes, the income of the property owner (household) must be less than the poverty threshold for the number of persons within the household.
6. All income and assets for persons in the household are reported in accordance with a form prescribed by the State Tax Commission.
  - a. Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence must be included with the application including any property tax credit returns. The tax returns may be from the current or preceding tax year. If any person in the household is not required to file federal or state tax returns, the included affidavit, form 4988, must be completed by each person that does not file taxes.
  - b. The most recent statement for all bank accounts, investments, IRAs, CDs, 401Ks, money market, annuities, etc. The statement submitted must be complete with no missing pages and submitted for all persons residing in the home.
  - c. Proof of income/assets from the Social Security Administration, Veterans Administration, Medicare, Medicaid, Bridge Card, and any College/University scholarships for all persons residing in the home.
  - d. The most recent mortgage statement of the primary residence under review, including any reverse mortgages.
  - e. If primary residence being sought for exemption was purchased within the past two years of this application, homeowner's closing statements must be submitted with application.
7. Maximum total allowed assets, including amounts in banking/investment accounts may not exceed the amount of the federal poverty guideline for the number of persons in the household. The Asset Level does not include the primary residence for which exemption is being sought. It does include, but is not limited to:
  - a. A second home, additional land not associated with the primary residence, or other buildings other than the primary residence being sought for exemption.
  - b. Vehicles and other recreational vehicles such as motor homes, campers,

- ATVs, boats, and motorcycles.
  - c. Jewelry, antiques, artwork, equipment, and other personal property of value.
  - d. Bank accounts, stocks, bonds, and investments. This also includes the money received from the sale of stocks, bonds, investments, cars, and houses unless a person is in the specific business of selling such property.
  - e. Withdrawals of bank accounts and borrowed money.
  - f. Gifts, loans, lump-sum inheritances, and one-time insurance payments.
  - g. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
  - h. Federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches.
  - i. The total interest income in all accounts (checking, savings, CDs, IRAs, 401Ks, money market, annuities, etc.)
  - j. The applicant shall not have ownership interest in any real estate other than the primary residence being considered for exemption.
8. Applicants that meet the income and asset qualifications will have the taxable value reduced by 50% for the current year.
9. Poverty exemptions shall be granted for one year only. The property owner must apply every year in order to receive an exemption.

*The City of Grosse Pointe Woods Poverty Exemption Guidelines and Application will be updated annually with the current year Poverty Income Guidelines as established by the United States Department of Health and Human Services without further resolutions. If alternative guidelines are adopted by this governing body a new resolution will be required.*

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

AYES:                   Brown, Bryant, Gafa, Granger, Koester, McConaghy, Motschall  
 NAYS:                   None  
 ABSENT:               None  
 ABSTENTIONS:       None

The resolution declared adopted.

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Paul P. Antolin, City Clerk

**CERTIFICATION**

*I, Paul P. Antolin, Clerk of the City of Grosse Pointe Woods, do hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council on February 3, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and will be, or have been, made available as required by said Act.*

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Paul P. Antolin, City Clerk