

Memo

To: White Lake Township Board

From: David Hieber, Assessor



Date: 11/22/2022

Re: Resolution for 2023 Poverty Exemption Guidelines

Attached is the resolution for poverty exemption guidelines which clarifies the Township's guidelines to be used by the Board of Review to comply with Public Act 253 of 2020. The policy and guidelines used for the granting of exemptions, including the application form, must be made available to the public on our Township's website. MCL 211.7u(5) states that if a person claiming the poverty exemption meets all the eligibility requirements, the Board of Review shall grant a 25%, 50%, or 100% reduction in Taxable Value for the year in which the exemption is granted. Additionally, the Michigan homestead property tax credit cannot be considered as income for the purposes of the poverty exemption.

Please note, the total asset level of the applicant is recommended to be increased from \$10,000 to \$25,000 which is comparable to the asset level of surrounding communities.

If you have any questions or require further information, please do not hesitate to contact me.

**CHARTER TOWNSHIP OF WHITE LAKE,
RESOLUTION FOR 2023 POVERTY EXEMPTION GUIDELINES**

RESOLUTION #22-036

At the regular meeting of the Township Board of the Charter Township of White Lake, County of Oakland, State of Michigan, held in the Township Annex, 7527 Highland Road, in accordance with the Open Meetings Act, Public Act 267 of 1976 as amended, on the 22nd day of November, 2022 at 7:00 p.m. with those present and absent being.

PRESENT:

ABSENT:

The following preamble and resolution were offered by _____ and seconded by _____.

WHEREAS, the adoption of guidelines for poverty exemptions is required of the Township Board of Charter Township of White Lake; 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 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the Charter Township of White Lake, Oakland County adopts the following policy and 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;

WHEREAS, Public Act 390 of 1994, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being section 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit to determine and make available to the public the policy and guidelines used by the Board of Review for granting of poverty exemptions; and

WHEREAS, Public Act 253 of 2020, amends MCL 211.7u, regarding the requirements for exemption from property taxes to be granted by the Board of Review for qualified persons claiming the exemption; and,

THEREFORE, BE IT RESOLVED that to be eligible for a full poverty exemption, a person shall do 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 Board of Review, accompanied by Federal and State of Michigan Income Tax Returns, including any property tax credits, and/or statements of benefits paid from the Social Security Administration or Michigan Department of Social Services, for all

persons residing in the principal residence. If the applicant does not file a federal or state income tax return, Michigan Department of Treasury Form 4988 must be submitted. The Board of Review or Assessor may request additional verification of information submitted.

- 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, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, cash, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc. A poverty exemption shall not be granted to any applicant whose total household assets exceed \$25,000. (An applicant's homestead and principal vehicle shall be excluded from consideration as an asset.) Further, a poverty exemption shall not be granted to an applicant whose investments will produce an income which when added to the applicant's household income exceeds 25% above the federal poverty guidelines.
- 4) Produce a valid Michigan driver's license or identification.
- 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 annual income guidelines which is set at 25% above the Federal Government Poverty Income Standards from the prior tax year set forth by the U.S. Department of Health and Human Services as established by the State Tax Commission, to be updated annually. The annual allowable income is for all persons residing in the principal residence.
- 7) Application must be made on the form required by the State Tax Commission. The form must be fully completed in order to be submitted to the Board of Review.
- 8) The application for an exemption shall be filed after January 1, but no later than two days 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.

BE IT FURTHER RESOLVED that the Board of Review shall follow the approved policy and guidelines to determine eligibility and the amount of the exemption. Pursuant to Public Act 253 of 2020, the Board of Review may grant exemptions as follows: (1) a full exemption equal to a 100% reduction in taxable value; or (2) a partial exemption equal to a 50% reduction in taxable value; or (3) a partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted.

BE IT FURTHER RESOLVED that in order to conform with Public Act 253 of 2020, the Township Board of White Lake, Oakland County, Michigan, hereby certifies the above guidelines for poverty appeals to the Board of Review which will stay in effect for subsequent years until amended or voided.

BE IT FURTHER RESOLVED that all prior Resolutions adopting guidelines for the granting of Poverty Exemptions are hereby repealed and/or rescinded.

AYES:

NAYS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

I, the undersigned duly qualified Township Clerk of the Charter Township of White Lake, Oakland County, Michigan, do hereby certify the foregoing is a true and complete copy of the proceedings taken by the Township Board of the Charter Township of White Lake at a meeting held on the 22nd day of November 2022.

ANTHONY L. NOBLE, Clerk
Dated: November 22, 2022