

**MINDEN TOWNSHIP
BOARD OF REVIEW
POVERTY EXEMPTION POLICY AND GUIDELINES**

Section 211.7u(1) of the Michigan General Property Tax Act defines the poverty exemptions as a method to provide relief for those who, in the judgment of the Assessor and the Board of Review are unable to fully contribute to the annual property tax burden of their principal residence due to their financial situation. The following policy and guidelines were adopted by the Minden Township Board, Resolution No. 2021-1, Date: January 4, 2021.

1. All applicants must submit a copy of the Federal Income Tax Return (1040 or 1040A), State Income Tax Return (MI-1040), and Homestead Tax Credit (MI-1040CR-4) filed in the immediately preceding year or in the current year **for all persons living in the homestead.**
2. All applicants must fill out a “Hardship Exemption Application” in its entirety.
3. All applicants must be the owner and resident of the property which tax relief is filed on. They must provide a valid drivers’ license or other acceptable method of identification. They must also provide a deed, land contract, or other evidence of ownership if requested by the Board of Review.
4. Applicant must meet the “Federal Poverty Exemption Guidelines” set forth by the Minden Township Board. An Asset Test is also included in the Asset Guidelines that are to be used in the determination of all hardship exemptions.
5. All Financial Institution balances will be taken into account. The Board will also consider stocks, bonds, life insurance policies, other real estate owned, vehicles, interest income and any additional assets.
6. Gifts and contributions by all persons whether living in the household or not will be taken into consideration.
7. Extraordinary medical expenses may be taken into consideration.
8. Persons applying for a hardship exemption will be encouraged to meet in person with the Board of Review in order to answer any questions relative to their application. Applicants or their authorized agents may have to answer questions regarding such subjects as financial affairs, health and/or the status of people living in their home at a meeting that is open to the public.
9. The Board of Review shall follow the guidelines of the local assessing unit in granting or denying an exemption unless there are substantial and compelling reasons why there should be a deviation from the guidelines and the substantial and compelling reasons are communicated in writing to the claimant. Any deviation from the guidelines shall require a unanimous vote of the Board of Review and the Township Assessor.
10. In accordance with PA 390 of 1994, the Applicant must meet the “Asset Guidelines” adopted by the Minden Township Board. (Attached)
11. A person who files for a hardship exemption is not prohibited from also filing an appeal on the assessment and/or taxable value.

APPLICANT: Your application for poverty exemption may be denied if:

1. Your Hardship Exemption Application is not filled out completely or includes inaccurate information.
2. Savings account, checking account, investments, interest earnings, dividends or other liquid assets either in total or individually meet or exceed double the amount of the current annual property tax obligation.
3. Applicant does not otherwise meet the asset levels set by the local governing body.
4. Recreational Vehicles* owned or leased in total exceed the amount of the current asset guidelines.
5. If you own, and are receiving rents from other real estate, excluding your homestead.
6. If you own, or are buying, other real estate *i.e. Summer Cottage, Vacant Land (acreage or lot), camping lot.*
7. Total Household Income exceeds eligibility guidelines as adopted by the Minden Township Board, set annually by the State Tax Commission.

Recreational vehicles may include snowmobiles, boats, camping trailers, travel trailers, motor home, Jet ski, motor cycles, off road vehicles, or anything which may be considered a Recreational Vehicle.

**MINDEN TOWNSHIP
BOARD OF REVIEW
2018
GUIDELINES FOR APPLICANTS
REQUESTING CONSIDERATION FOR POVERTY EXEMPTIONS**

All applicants must obtain the property application from the assessor or local township official. Handicap or disable applicants may call the Assessor's Office at (810)-378-5776 to make necessary arrangements for assistance.

Applicants will be eligible for consideration if they meet the following poverty guidelines, set forth annually by the State Tax Commission.

<u>Size of Family Unit</u>	<u>2017 Poverty Guidelines</u>
1	\$ 11,880
2	\$ 16,020
3	\$ 20,160
4	\$ 24,300
5	\$ 28,440
6	\$ 32,580
7	\$ 36,730
8	\$ 40,890

**For each additional person(s) \$ 4,160

Asset Guidelines Used in the Determination of Poverty Exemptions

As required by PA 390 of 1994, all guidelines for poverty exemption as established by the governing body of the local assessing unit **SHALL** also include an asset level test. The following asset test shall apply to all applications for poverty exemption.

- The applicant shall not have “**liquid**” assets (excluding the value of the principal residence subject to the exemption request) in excess of **two (2)** times the amount of the estimated tax obligation of the current assessment.
- The applicant shall not have **total** assets (excluding the value of the principal residence subject to the exemption request) in excess of **ten (10)** times the amount of the estimated tax obligation of the current assessment.

All asset information, as requested in the Application for Poverty Exemption must be completed in total. The Board of Review may request additional information and verification of assets if they determine it to be necessary and may reject any application if the assets are not properly identified.

Liquid Assets may include but are not limited to:

- Bank accounts
- Stocks and Bonds
- IRA's and other investment accounts
- Pensions
- Money received from the sale of property such as stocks, bonds, a house or a car unless a person is in the specific business of selling such property.

In addition, total assets may also include but are not limited to:

- A second home
- Excess or vacant land
- Rental property
- Extraordinary automobiles
- Recreational vehicles*
- Buildings other than the residence
- Equipment
- Other personal property of value
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.

** Recreational vehicles may include snowmobiles, boats, camping trailers, travel trailers, motor home, Jet ski, motor cycles, off road vehicles, or anything which may be considered a Recreational Vehicle.*

For B.O.R. Mar Jul Dec Use Only

Letter / Appt

Date: _____

Time: _____

Sidwell: _____

Name: _____

Legal: _____

MINDEN TOWNSHIP

SANILAC COUNTY

HARDSHIP EXEMPTION CALCULATION FORMULA

1. OWNER OF PROPERTY	Yes _____	No _____
2. PROPERTY HOMESTEAD SUBMITTED	Yes _____	No _____
3. ASSET LEVEL GUIDELINE AMOUNT	_____	
4. LIQUID ASSETS	_____	
TOTAL ASSETS	_____	
5. DEDUCTIONS	_____	
6. ADJUSTED INCOME (line 4 minus line 5)	_____	
7. ADJUSTED INCOME MEETS HARDSHIP GUIDELINES	Yes _____	No _____
8. ESTIMATED TAXES BASED ON CURRENT TAXABLE VALUE	_____	
9. ABILITY TO PAY (Adjusted Income, line 6, multiplied by 3.5%)	_____	
10. ESTIMATED TAX BALANCE (Total Taxes, line 8 minus Ability to Pay, line 9)	_____	
11. STATE OF MI HOMESTEAD CREDIT	_____ \$1,200 _____	
12. TAXES FOR HARDSHIP CONSIDERATION (Est. Tax Balance, line 10 minus Homestead Credit, line 11)	_____	
13. IF LINE 12 IS 0 (ZERO) OR LESS	=	_____ <i>DO NOT QUALIFY</i> _____

IF LINE 12 IS GREATER THAN \$0, TAKE THE DIFFERENCE AND DIVIDE BY MILLAGE RATE=

TAXABLE VALUE REDUCTION

