

Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2022

MCL 211.7u, which deals with poverty exemptions, was significantly altered by PA 390 of 1994 and was further amended by PA 620 of 2002.

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels shall not be set lower by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than \$21,960 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$21,720. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2022 assessments:

Size of Family Unit	Poverty Guidelines
1	\$12,880
2	\$17,420
3	\$21,960
4	\$26,500
5	\$31,040
6	\$35,580
7	\$40,120
8	\$44,660
For each additional person	\$4,540

Note: PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available. Please see STC Bulletin 6 of 2017 for more information on poverty exemptions.

Note: PA 135 of 2012 changed the requirements for filing documentation in support of a poverty exemption to allow an affidavit (Treasury Form 4988) to be filed 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. This does include the owner of the property who is filing for the exemption.

DALTON TOWNSHIP
SPECIFIC REQUIREMENTS FOR HARDSHIP EXEMPTION
(As adopted by the Township Board)

In addition to the requirements outlined in PA 390 of 1994, also known as MCL 211.7u, as amended, the following apply:

- 1) Applicant must own and have occupied for at least (6) months as your principal residence, the property for which relief is being sought.
- 2) Applicant must provide current copy of deed or land contract showing ownership in principal residence.
- 3) Applicant must provide copies of 2021 Michigan Income Tax Return for all persons residing in the principal residence, including 2021 Homestead Property Tax Credit Claim (MI 1041 CR-1 (Senior) or CR-4 (General) and Home Heating Tax Credit.
- 4) Applicant must provide copies of 2021 Federal Income Tax Return (1040) for all persons residing in the principal residence, if he/she is required to file federal income tax. If applicant is not required to file, they must indicate this on application.
- 5) Any applicant or person residing in the principal residence who is not required to file a 2021 Michigan or Federal Income Tax Return is required to file an affidavit (Treasury Form 4988).
- 6) Applicant must provide copies of W-2 forms or 1099 forms pertaining to tax forms presented.
- 7) Applicant must provide a copy of a current Michigan driver identification card or Michigan State ID for identification.
- 8) The Board of Review will apply a three (3) part test to determine the eligibility and amount of exemption.

a) THE INCOME TEST:

An eligible applicant must meet the published poverty income standards. Only in the case of extraordinary circumstances can the Board of Review consider greater than the published amounts.

In the case of extraordinary circumstances, the applicant must provide documentation verifying major or unusual out-of-pocket expenses.

b) THE ASSET TEST:

A hardship exemption shall not be granted to any applicant whose total liquid assets exceed \$1,500.

Under no circumstances shall a hardship exemption be granted to any applicant who owns any interest in real estate in addition to their principal residence.

Under no circumstances shall a hardship exemption be granted to any applicant who owns any interest in a recreational vehicle.

c) INCOME FROM OTHER SOURCES TEST:

If the Board of Review determines that the applicant has or should have income from other sources, such as relatives, dependents, friends, they may add this income to the applicant's reported income and if the resulting sum of these incomes is greater than the Federal Poverty Income Standards, then a hardship exemption will be denied. If the amount of the income added to the applicant's reported income and the resulting sum is less than the Federal Poverty Income Standards, then a hardship exemption may be granted.

- 9) The Board of Review may grant property tax relief, based on poverty, annually.
- 10) Granting of a hardship exemption does not relieve the tax payer of burden of special assessments levied against the property. Special Assessments will still be due and payable.

DALTON TOWNSHIP

POLICY AND GUIDELINES FOR HARDSHIP EXEMPTIONS FROM TAXATION FOR THE YEAR OF 2022 AS REQUIRED BY PA 390 OF 1994

In order to comply with the General Property Tax Act, P.A. 206 of 1893 as amended, Section 211.7u which reads: "The homestead of person who, in the judgment of the supervisor and Board of review, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation under this act," the following policy for applicants requesting consideration for poverty exemptions will be followed:

1. All requests for Hardship Exemption must be made on the form(s) provided by Dalton Township. Handicapped or infirmed applicants may call the Assessor's office to make necessary arrangements for assistance.
2. Applications may be filed with the Township Assessing Department after January 1, 2022 but on or before December 1, 2022.
3. Applications are to be reviewed by the Board of Review. The Board of Review may request that any or all applicants be physically present to respond to any questions the Board of Review may have.
4. The applicant(s) may have to answer questions regarding financial affairs, health, the status of people living in his/her home before the Board, at a meeting which is open to the public at large.
5. The Board of Review will use a basis for the granting of such Exemption the following listed items and requirements.
 - a) Public Act 390 of 1994, also known as MCL 211.7u, as amended
 - b) Bulletin No. 5 January 23, 1995, Michigan Department of Treasury, State Tax Commission to include the definitions and requirements.
 - c) Poverty thresholds as provided by the United States Office of Management and Budget. Income is defined in Bulletin No. 5, Item G. (Specific poverty thresholds list is attached)
 - d) Asset thresholds for the entire household as determined by Dalton Township. (specific requirements thresholds list is attached)
 - e) Specific requirements by Dalton Township that must be met before the application will be considered for approval. Be advised that some

of the listed requirements are included as part of P.A. 390 of 1994. (specific requirements list is attached) (as defined in Bulletin No. 5, Item D.)

- f) Data submitted to the Board by the petitioner.
 - g) Testimony taken from petitioner and information gathered from any source the Board may wish to use.
6. Any successful applicant may be subject to personal investigation by the Township. This would be done to verify information submitted or statements made to the Assessor or Board of Review in regard to the applicants property tax abatement claim. Should any representation by the applicant appear to be false, the exemption shall be denied.
 7. Applications for hardship exemption are for one year only. A new application must be submitted for the following year.
 8. The supervisor, or secretary of the Board of Review, will keep minutes of all proceedings before the Board of Review and all meetings must be held in a municipal building and pursuant to the Open Meetings Act.
 9. The Board of Review shall follow this policy when considering all requests for a hardship exemption. The same standards shall apply to each applicant in an assessment year, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and the substantial and compelling reasons are communicated in writing to the applicant.
 10. Hardship Exemption denied by the Board of Review may be appealed to the Michigan Tax Tribunal by July 31st of the same year or within 30 days of denial at the July or December Board of Review.

Michigan Tax Tribunal
PO Box 30232
1033 S. Washington
Lansing, MI 48909

THIS PAGE INTENTIONALLY LEFT BLANK

Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.				
Petitioner's Name			Daytime Phone Number	
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents	
Property Address of Principal Residence		City	State	ZIP Code
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit		
PART 2: REAL ESTATE INFORMATION				
List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.				
Property Parcel Code Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
PART 3: ADDITIONAL PROPERTY INFORMATION				
List information related to any other property owned by you or any member residing in the household.				
<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property	
1	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid
2	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid

PART 4: EMPLOYMENT INFORMATION — List your current employment information:					
Name of Employer					
Address of Employer		City	State	ZIP Code	
Contact Person		Employer Telephone Number			
PART 5: INCOME SOURCES					
List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.					
Source of Income			Monthly or Annual Income (Indicate which)		
PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION					
List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.					
Name of Financial Institution or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment	
PART 7: LIFE INSURANCE — List all policies held by all household members.					
Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured
PART 8: MOTOR VEHICLE INFORMATION					
All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.					
Make	Year	Monthly Payment	Balance Owed		

PART 9: HOUSEHOLD OCCUPANTS — List all persons living in the household.				
First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 10: PERSONAL DEBT — List all personal debt for all household members.					
Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 11: MONTHLY EXPENSE INFORMATION			
The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.			
Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare		Car Expense (gas, repair, etc.)
Other (type and amount)	Other (type and amount)		Other (type and amount)
Other (type and amount)	Other (type and amount)		Other (type and amount)

NOTICE: Per MCL 211.7u(2)(b), federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

PART 11: POLICY AND GUIDELINES ACKNOWLEDGMENT

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 12: CERTIFICATION

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.

Printed Name	Signature	Date
--------------	-----------	------

This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
 PO Box 30232
 Lansing MI 48909

Phone: 517-335-9760
 E-mail: taxtrib@michigan.gov

Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty

This form is issued under the authority of Public Act 253 of 2020.

This form is to be used to affirm ownership, occupancy, and income status. MCL 211.7u(2) provides that, to be eligible for exemption under this section, a person shall, subject to subsection (6) and (8), annually affirm that the applicant owns and occupies, as a principal residence, the property for which an exemption is requested.

PART 1: OWNER INFORMATION — Enter information for the person owning and occupying the residence.			
Owner Name		Owner Telephone Number	
Mailing Address	City	State	ZIP Code
PART 2: LEGAL DESIGNEE INFORMATION (Complete if applicable.)			
Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
PART 3: HOMESTEAD PROPERTY INFORMATION — Enter information for property in which the exemption is being claimed.			
City or Township (check the appropriate box and enter name) <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County	
Name of Local School District			
Parcel Identification Number		Year(s) Exemption Previously Granted by Board of Review	
Homestead Property Address	City	State	ZIP Code
PART 4: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)			
<input type="checkbox"/> I own the property in which the exemption is being claimed. <input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home. <input type="checkbox"/> After establishing initial eligibility for the exemption, my income and asset status has remained unchanged and/or I receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability or retirement benefits.			
PART 5: CERTIFICATION			
I hereby certify to the best of my knowledge that the information provided on this form is true and I am eligible to receive an exemption from property taxes by reason of poverty pursuant to Michigan Compiled Law, Section 211.7u.			
Owner or Legal Designee Name (print)		Signature of Owner or Legal Designee	Date
Designee must attach a letter of authority.			
LOCAL GOVERNMENT USE ONLY (DO NOT WRITE BELOW THIS LINE)			
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (Attach appeal instructions and provide to owner.)		Tax Year(s) exemption will be posted to tax roll	
CERTIFICATION — I certify that, to the best of my knowledge, the information contained in this form is complete and accurate.			
Assessor Signature		Date Certified by Assessor	

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: _____

Signature of Person Making Affidavit

Date