

**SILVER CREEK TOWNSHIP – RESOLUTION 22-02
PROPERTY TAX POVERTY EXEMPTION GUIDELINES**

(Pursuant to Public Act 390 of 1994) Adopted by the Silver Creek Township Board on February 9, 2022
Adjusted to Federal Poverty Standards of 12-31-21 for 2022 assessments.

Filing Requirements

In order to file and qualify for the property tax poverty exemption, the claimant must do all of the following and meet each of the following requirements annually:

1. Own and occupy the homestead property for which the exemption is requested.
2. File a claim with the supervisor or board of review after January 1st but before the day prior to the last day of the board of review on a form provided by the local assessing unit. (Note: The filing of this claim constitutes an appearance before the March board of review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
3. Provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid driver's license or other form of identification if requested by the supervisor or board of review.
5. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested if required by the supervisor or board of review.
6. Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget which will be discussed later in this bulletin under the heading "Federal Poverty Income Standards".
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Silver Creek Township Board
9. Meet any other tests that may be set by the Silver Creek Township Board.

INCOME STANDARDS

The following are current poverty threshold Income Standards provided by the United States Office of Management and Budget and issued to Michigan assessors by the Michigan State Tax Commission in Bulletin No. 5 of 1995.

1. In order to meet the requirement of the Income Standards the claimants annual gross household income cannot exceed the amounts stated below.
2. Qualification under these Income standards provided the claimant is qualified in all other respects, indicates that the claimant shall reasonably be expected to pay annual property taxes, exclusive of Michigan Homestead Property Tax Credit refunds, amounting to 5% of the total annual gross household income.

| Number of Persons Residing in Household | Poverty Threshold Maximum Household Income |
|--|---|
| 1 | \$ 12,880.00 |
| 2 | \$ 17,420.00 |
| 3 | \$ 21,960.00 |
| 4 | \$ 26,500.00 |
| 5 | \$ 31,040.00 |
| 6 | \$ 35,580.00 |
| 7 | ,\$ 40,120.00 |
| 8 | \$ 44,660.00 |
| For each Additional, Person Add | \$ 4,540.00 |

Ordinary income includes the following:

1. Money wages and salaries before any deductions.
2. Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
3. Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or share cropper, after deductions for farm operating expenses.

4. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, workers compensation, veterans' payments, public assistance.
5. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships, and assistant ships.
8. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Ordinary income does not include the following, except as provided in number 6 above:

1. Money received from the sale of property, such as stocks, bonds, a house, or a car, unless the claimant is in the business of selling such property.
2. Withdrawals of bank deposits and borrowed money.
3. Income tax refunds and one-time insurance payments.
4. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
5. Federal non-cash benefit programs such as Medicare, Medicaid, food stamps and school lunches.
6. Gifts and lump-sum inheritances are not considered as ordinary income; however dividends, interest, rental proceeds, royalties, inheritances, and other similar receipts received on a period basis, which may be in the form of a gift or other form, including receipts resulting from divestment of assets, and which may have the appearance of income, shall be considered as unearned income and shall be included in the determination of income eligibility.

Asset Eligibility Limitations

ASSET STANDARDS

In order to meet the requirements for assets, the total current fair market value of the claimant's household assets cannot exceed \$4,500.00.

Definition of Assets (Non-Inclusive)

Assets include, but are not limited to the cash value of savings accounts and shares, certificates of deposit, investments such as stocks, bonds, mutual funds, deferred compensation accounts, equity in real estate other than the homestead for which the exemption is claimed, motor vehicles other than one primary transportation vehicle, jewelry, coins and other collectibles, precious metals, and other similar possessions which are not essential to the subsistence or health and well-being of the claimant. Gifts, lump-sum inheritances, dividends, interest, rental proceeds, royalties, and other receipts received in the form of a gift, or as a result of asset divestment, shall be considered an asset if received on a one-time lump-sum basis and shall be included in the determination of asset eligibility.

Divestment of Assets

Divestment means a transfer of a resource. Transfer of a resource means giving up all or partial ownership in (or rights to) a resource. Examples include, but are not limited to, selling an asset, giving an asset away, refusing an inheritance, giving up the right to receive income, and other similar divestment actions.

If an application for property tax exemption has divested any assets during the period of 36 months preceding the date of the application, then such divestment shall be considered in the determination of eligibility.

ADDITIONAL STANDARDS

Michigan Homestead Property Tax Credit

In calculating the applicant's property tax liability and possible reduction thereof, any refunds received or due to be received from a Michigan Homestead Property Tax Credit Claim (MI-1040CR) shall be reported by the applicant and taken into account in regard to the granting of any property tax exemption.

Partial Poverty Exemption

Act No 390 of Public Acts of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only part of the taxable value of the property for which an exemption is claimed, rather than the entire taxable value.

Appeal

A property owner may appeal the March board of review's decision on a poverty exemption claim to the Michigan Tax Tribunal by June 30. An appeal of a July or December board of review poverty exemption decision may be made to the Michigan Tax Tribunal within 30 days of the decision. Appeals are to be made in writing to Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909.

MONTHLY EXPENSES

Utilities _____ Food _____ Phone _____ Clothing
Heat _____ Car _____ Other (specify) _____

AUTHORIZATION FOR VERIFICATION

I, _____, as an applicant to Silver Creek Township for a Property Tax Poverty Exemption, hereby authorize, by virtue of my notarized signature below, Silver Creek Township to contact any person, firm or organization which I have identified in this Application in order to verify the information I have provided herein. Additionally, I authorize any person firm, or organization so contacted to provide any such information to Silver Creek Township as requested. I am aware that any willful inaccuracies, mis-statements, or mis-representation made by me in this application may constitute perjury, which under the law is a felony violation punishable by fine or imprisonment.

Notice to Applicant

Do not sign this application exception in the presence of Silver Creek Township Supervisor, Assessor, Board of Review member or notary public.

**STATE OF MICHIGAN
COUNTY OF CASS**

The undersigned, being duly sworn, deposes and says that the statements made in the foregoing application are true and that he/she has no money, income, or property other than disclosed herein.

Signature of applicant

Subscribed and sworn this 9th day of February, 2022

Signature
(Supervisor, Assessor, Board of Review or Notary Public)

FOR BOARD OF REVIEW USE

Disposition by the Board of Review Date

Denied _____ Approved _____ Assessment reduced to

Supervisor

Chairperson

Second Member

Third Member

Resolution 22-02 was offered by Treasurer Kuriata, seconded by Trustee Saunders, at a township board meeting held on February 9, 2022.

Roll call vote: Yes (5) Trustee Saunders, Trustee Glynn, Treasurer Kuriata, Clerk Behnke, Supervisor Braman
No (0)

The Township Supervisor declared the resolution adopted.

Mick Braman
Silver Creek Township Supervisor

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of *Resolution 22-02* adopted at a regular meeting of the Silver Creek Township Board held on *February 9, 2022*; that the meeting was conducted and public notice of the meeting was given pursuant to and in compliance with the Michigan Open Meetings Act; that a quorum of the Board was present and voted in favor of the resolution; and that the minutes of the meeting will be or have been made available as required by the Open Meetings Act.

Lorri Behnke, Clerk
Silver Creek Township
Cass County, Michigan