

Township of Lovells

Petition No. _____

Parcel ID No. _____

2022

Application for Tax Exemption (Poverty – MCL 211.7u)

THIS APPLICATION MUST BE COMPLETED CAREFULLY AND COMPLETELY.
INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED.

All Petitions are subject to the Open Meetings Act, PA 267 of 1976

Documentation must accompany this application. Applications submitted without all supporting documentation will not be accepted.

PLEASE READ THE FOLLOWING APPLICATION CAREFULLY

Public Act 253 of 2020, being Michigan Compiled Law MCL 211.7u, of the General Property Tax Act, Public Act 206 of 1893

The following Poverty Exemption Guidelines and Application were approved for use as the local standard by the Township Board.

2022 Poverty Exemption appeals will be heard by the Board of Review on:

WEDNESDAY MARCH 16, 2022 from 9 AM – 3 PM

THURSDAY MARCH 17, 2022 from 3 PM – 9 PM

TUESDAY JULY 19, 2022

TUESDAY DECEMBER 13, 2022

POVERTY EXEMPTION GUIDELINES and POLICY FOR APPLICANTS REQUESTING CONSIDERATION FOR POVERTY EXEMPTION

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.

1. An applicant shall obtain the Michigan Department of Treasury form 5737 and a copy of the Township Board adopted Poverty Exemption Policy, which outlines the Board of Review approved asset test, from a Township Officer on or after January 1 each year but before the day prior to the last day of Board of Review. If the local assessing unit maintains a website, the local assessing unit shall make the policy and guidelines, and Michigan Department of Treasury form 5737, available to the public on the website, as described in PA 253 of 2020. https://www.michigan.gov/documents/treasury/5737_01-21_713515_7.pdf
2. An applicant shall meet all of the following qualifications:
 - a. Own and occupy, as their principal residence, the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing form 5737, as prescribed by the state tax commission, with the Board of Review where the property is located.
 - b. Produce a driver license or other form of identification for all individuals residing in the home.
 - c. Produce a deed, land contract, or other evidence of ownership of the property, as requested.
 - d. Submit current year/immediately preceding year copies of the following, as requested:
 - i. Federal and State Income Tax Return – all forms
 - ii. Michigan Homestead Property Tax Credit Claim MI-1040CR
 - iii. Michigan Homestead Property Tax Credit Claim for Veterans and Blind People MI-1040CR-2
 - iv. Statement from the Social Security Administration <https://www.ssa.gov/myaccount/statement.html>
 - v. Statement from the Michigan Department of Health & Human Services
 - e. Meet the prior year published United States Department of Health & Human Services Federal Poverty Guidelines, as they have been adopted by the local governing body:

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

3. Exemptions may be granted in whole or in part, as follows:
 - a. 100% reduction of Taxable Value
 - b. 50% reduction in Taxable Value
 - c. 25% reduction in Taxable Value
4. Income includes, but is not limited to the following according to the US Census Bureau
 - a. Money, wages, salaries before deductions, regular contributions from persons not living in the residence
 - b. Net receipts from non-farm or farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions)
 - c. Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, supplemental security income (SSI)
 - d. Alimony, child support, military family allotments
 - e. Private and governmental retirement and disability pensions, regular insurance, annuity payments

- f. College or university scholarships, grants, fellowships, assistantships
- g. Dividends, interest, and net income from rentals, royalties, estates, trusts, gambling or lottery winnings
- 5. An Asset Level Test, as determined by the government body / Board of Review, is established under PA 390 of 1994 as described in State Tax Commission Bulletin 6 of 2017, to determine if asset limits have been met. This asset level test is adopted annually by the Township Board policy and the Board of Review:
 - a. Cash assets of the total household, may not exceed an amount equal to two month's gross household income. This includes all forms of money generated, including income as described by the US Census Bureau, that is being held as: cash, money in checking/savings accounts, stocks/bonds, one-time insurance payments/cash-out option insurance policies, coin/antique/artwork collections, boats, ORV's, motorcycles, recreational vehicles, jewelry, retirement accounts, gifts, loans, lump-sum inheritances, money markets and other financial institution accounts, an/or instruments or securities which can be readily converted to cash.
 - b. Fixed Assets to the total household may not exceed \$5,000. Non-cash assets are defined as those, which are not considered to be cash assets, as defined above.
 - c. Other Property, including real estate, of any value, that could be converted to cash and used to pay property taxes. Other real estate is defined as: real estate other than the primary dwelling and minimum footprint of land.
 - d. The following assets are excluded from this limit:
 - i. Applicant's principal residence and adequate transportation
 - ii. Applicant's household personal property
 - iii. Assets not accessible by the applicant, co-owner, or any member of the applicant's household.
- 6. If your income exceeds the amounts shown or your assets exceed the amounts shown, you are NOT eligible for a Poverty Exemption.
- 7. An applicant who is otherwise qualified shall not be granted an exemption if the applicant owns any other parcel of real property, whether improved or not, in addition to their principal residence dwelling and minimal land footprint.
- 8. The Board of Review will consider all revenue and non-revenue producing assets of the owner, co-owner and all members of the household. Any attempt to hide and/or shift assets to another person, business or corporation shall be grounds for denial.
- 9. All applications will be reviewed based on all information gathered. Including data and statements given to the Board of Review by the applicant. The Board of Review may use information gathered from any source.
- 10. Applicants are subject to investigation of any/all financial and property records, in an effort to verify information provided in regards to this property tax exemption claim.
- 11. No exemption shall be granted if the current year adopted application is not completely filled out. If a question or statement does not apply, "N/A or not applicable" shall be written in the appropriate space.
 - a. The applicant must mark the box, on page 4, indicating that this policy & guidelines, have been reviewed, including the income and asset levels.
 - b. Applications shall be signed and dated to certify the information is complete, accurate, and the applicant is entitled to the exemption.
 - c. **Documentation is required and must be attached to the application for it to be excepted as complete. This includes the prior 3 consecutive months' statements for each account listed in Part 6.**
 - d. Documentation from every item listed in PART 1 through Part 11 must be attached to the application.
 - i. PA 135 of 2021 allows for Treasury Form 4988 to be filed for all persons residing in the residence who are not required to file federal or state income tax returns in the current or immediately proceeding year. https://www.michigan.gov/documents/treasury/4988_388856_7.pdf
- 12. Applications may be reviewed by the Board of Review, during their scheduled meeting, without the applicant being present. However, the Board of Review may request the applicant be available to respond to questions. Teleconferencing for the purpose, will be permitted. This policy is considered prior notification that the applicant shall make themselves available for questions.
- 13. The applicant may be questioned about items they deem as personal, including financial/health matters, and/or information about other people residing in the applicant's home, during the Open Meeting of the Board of Review. All meetings of the Board of Review are subject to the Open Meetings Act, PA 267 of 1976.

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

Continue on Page 2

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 InvestmentsAmount
on DepositCurrent
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
PolicyMonthly
PaymentsPolicy 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

Continue on Page 3

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)	

Continue and sign on Page 4

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
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