

2023-02

CITY OF JONESVILLE
COUNTY OF HILLSDALE
STATE OF MICHIGAN

RESOLUTION – POVERTY EXEMPTION GUIDELINES

At a Regular Meeting of the City Council of the City of Jonesville, County of Hillsdale, State of Michigan, held in the City Hall in said City on the 18th of January, 2023, at 6:30 p.m.

PRESENT: Delesha Padula, Chris Grider, Brenda Guyse, George Humphries Jr., Andy Penrose and Gerry Arno.

ABSENT: Tim Bowman

The following resolution was offered by Councilperson Delesha Padula and supported by Councilperson Chris Grider.

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City Council; and

WHEREAS, the principal residence of persons, who the Assessor and 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 253 of 2020 (amended MCL 211.7u); and

WHEREAS, pursuant to PA 253 of 2020, the City of Jonesville adopts the attached 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;

To be eligible, a person shall do all 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 Assessor or Board of Review, accompanied by 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.
- 3) File a claim reporting that the combined assets of all persons do not exceed the attached guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 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 federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services, and stated in the attachment.
- 7) A 50% partial exemption may be considered if applicant's assets are between \$1,000 and \$3,000 of asset guidelines. A 25% partial exemption may be considered if applicant's assets are between \$3,001 and \$4,500 of asset guidelines.

- 8) The application for an exemption shall be filed after January 1, but one day 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.

NOW, THEREFORE BE IT HEREBY RESOLVED, that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Assessor and Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant; and

BE IT FURTHER RESOLVED, that all previous adopted Poverty Exemption Guidelines are hereby rescinded; and

FURTHERMORE, the attached City of Jonesville Poverty Guidelines shall follow the Federal Poverty Guidelines as established annually, and shall remain in effect until otherwise amended or rescinded.

AYES: Delesha Padula, Chris Grider, Brenda Guyse, George Humphries Jr., Andy Penrose and Gerry Arno.

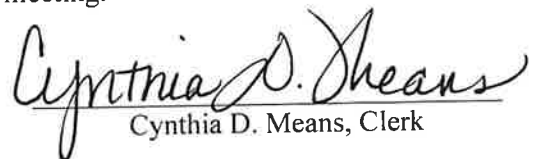
NAYS: None.

ABSENT: Tim Bowman.


Cynthia D. Means, Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of the City of Jonesville, County of Hillsdale, Michigan at a Regular Meeting held on the 18th day of January, 2023, and that public notice was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended, including in the case of a special or rescheduled meeting notice by publication or posting at least eighteen (18) hours prior to the time set for the meeting.




Cynthia D. Means, Clerk

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
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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

**CITY OF JONESVILLE
2023 POVERTY EXEMPTION GUIDELINES**

EXHIBIT A

The City of Jonesville has adopted the following standards for the 2023 year, for a household to be eligible for a poverty exemption. Below are the maximum household income and asset standards for size of family.

INCOME GUIDELINES

<u>Size of Family</u>	<u>100% Poverty Guidelines</u>
1	\$ 13,590
2	\$ 18,310
3	\$ 23,030
4	\$ 27,750
5	\$ 32,470
6	\$ 37,190
7	\$ 41,910
8	\$ 46,630
any add'l persons	\$ 4,720

ASSET GUIDELINES (MAXIMUM)

<u>Size of Family</u>	<u>100% Exemption</u>	<u>50% Exemption</u>	<u>25% Exemption</u>
1	\$ 25,000	\$ 28,000	\$ 29,500
2 or more	\$ 35,000	\$ 38,000	\$ 39,500

EXAMPLES OF ASSETS ARE (THIS IS NOT AN EXHAUSTIVE LIST):

- * A second home, land (larger than the "footprint" for the home), vehicles
- * Recreational vehicles such as campers, boats, and ATVs
- * Buildings other than residence
- * Jewelry, artwork, antiques
- * Bank accounts (over \$5,000) or stocks
- * Money received from the sale of property, stocks, bonds, cars, or houses
- * Gifts, loans, lump-sum inheritances
- * Federal non-cash benefits programs such as Medicare, Medicaid, or food stamps

PARTIAL POVERTY EXEMPTION GUIDELINES:
STATE TAX COMMISSION POLICY REGARDING REQUESTS FOR PERCENTAGE
REDUCTIONS IN TAXABLE VALUE FOR POVERTY EXEMPTIONS UNDER MCL 211.7u
Public Act 253 of 2020 amended MCL 211.7u related to poverty exemptions.

PA 253 of 2020 lists the specific percentage reductions in taxable value that may be used by the board of review in granting a poverty exemption.

MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the board of review shall grant the poverty exemption, in whole or in part, as follows:

1. A full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted; or
2. A partial exemption equal to a 50% reduction in taxable value for the year in which the exemption is granted if between \$1,000 to \$3,000 over Asset Test; or
3. A partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted if between \$3,001 to \$4,500 over Asset Test

No other method of calculating taxable value may be utilized, except for those percentage reductions specifically authorized in statute, or any other percentage reduction approved by the State Tax Commission. The Commission shall use the following process for the filing, review, and approval of local assessing unit requests to utilize a percentage reduction in taxable value when approving poverty exemptions under MCL 211.7u:

1. A local assessing unit that wants to use any other percentage reduction(s) in taxable value other than the reductions specifically authorized in statute must obtain permission for use of such percentage reduction(s) by filing Form 5738, Request For Approval of Percentage Reduction in Taxable Value For Poverty Exemptions Under MCL 211.7u with the State Tax Commission.
2. The local assessing unit must indicate on the Form the specific percentage reduction(s) in taxable value requested and an explanation of how the requested percentage reduction(s) will be calculated and applied when granting a poverty exemption. Based on case law, calculations that utilize any of the following are not permitted:
 - a. A limitation on the maximum value of the principal residence eligible to receive an exemption.
 - b. A requirement that the principal residence must be owned for a certain number of years before a claim for exemption can be made.
 - c. A limitation on the number of years an exemption can be claimed and received.