

MUSSEY TOWNSHIP POVERTY EXEMPTION POLICY & GUIDELINES

Section 211.7u (1) of the Michigan General Property Tax Act defines the poverty exemption as a method to provide relief for those who, in the judgment of 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 & Guidelines were adopted by the Mussey Township Board of Trustees, on January 15, 2025, **Resolution 2025-001**.

To qualify for the Poverty Exemption, the claimant **MUST** meet all of the following requirements. It may be possible that a claimant meets the income standard for the Poverty Exemption but does not meet the asset standard or other standards as outlined in these guidelines. In this instance, the claimant would **NOT** qualify for the exemption even though the income standard was met.

The Board of Review shall follow these guidelines when granting or denying a Poverty Exemption. The same standards shall apply to each claimant in the Township for each assessment year. If a person meets all eligibility requirements in statute, the Board of Review must grant a full exemption equal to a **100%** reduction in taxable value, or a partial exemption equal to **75%, 50%, or 25%** reduction in taxable value. (See Income Guidelines Section II).

1. All applicants **MUST** file a completed application (Form 5739) annually with the Township Assessing Department. Applicant must attach a **Federal Income Tax Return (1040 or 1040A), State Income Tax Return (MI-1040), W-2's, all 1099's, and provide all other financial statements from the prior year as well as 1 month of the current year for all persons living in the homestead.** If an applicant(s) is not required to file a Federal or State Income Tax return, they must complete and file an Income Tax Exemption Affidavit.
2. All applicants **MUST** be an owner of and occupy as a principal residence (as defined by MCL 211.7dd) the property for which an exemption is being requested. If requested they must provide a driver's license or other legally acceptable method of identification. They must also provide a deed, land contract, or other evidence of ownership if requested by the Board of Review.
3. Applicant must meet the annually adjusted "Federal Poverty Exemption Guidelines" or alternative guidelines adopted by the Mussey Township Board of Trustees. (See attached **Section II**).
4. All Financial Institution balances will be considered. This includes providing **entire copies of checking and savings accounts showing all transactions from bank and/or credit unions from the prior year and 1 month for the current year of appeal.**

bank and/or credit unions from the prior year and 1 month for the current year of appeal.

5. 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 for the purposes of establishing exemption eligibility. Non-cash benefits **shall be considered** as household income for purposes of establishing exemption eligibility.
7. In accordance with P.A 390 of 1994, P.A. 253 of 2020, as amended, P. A 141 of 2022, and P. A 191 of 2023, the Applicant must pass the "Asset Guidelines" adopted by the Mussey Township Board of Trustees. (attached Section III)
8. A person who files for a poverty exemption is not prohibited from also filing an appeal on the assessment and/or taxable value.

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

1. Your Application for Tax Exemption is not filled out completely, includes inaccurate information, or appears to be misleading or fraudulent.
2. Savings Account, Checking Account, Investments, Pension, Retirement, Interest Earnings, Dividends, Apple Pay Accounts, PayPal, Crypto, Venmo or other financial statements including 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 rent from another 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 Township Board of Trustees.

* *Recreational vehicles include snowmobiles, boats, camping trailers, travel trailers, motor homes, Jet skis, motorcycles, off-road vehicles, or anything else that may be considered a Recreational vehicle.*

All documentation provided to the Board of Review is considered:

CONFIDENTIAL – RESTRICTED ACCESS

**MUSSEY TOWNSHIP
BOARD OF REVIEW**

**2025 INCOME GUIDELINES FOR APPLICANTS
REQUESTING CONSIDERATION FOR POVERTY EXEMPTIONS**

Section II. The income guidelines used by the Board of Review have been established in accordance with Public Act 191 of 2023 which amends MCL 211.7u and MCL 211.53b. Public Act 191 allows local units to grant a 75% partial exemption, in addition to the previously allowed 100%, 50% and 25%. In determining qualifications for tax exemption, the Board of Review shall consider every variable on the application, including total household income, the quality and accuracy of the information submitted, and any other such evidence as it feels appropriate in making their decision. In general, these guidelines shall be used by the Board of Review in making its decisions. The income amounts below relate directly to the Federal Poverty Guidelines and are adjusted accordingly each year.

Americans With Disabilities (ADA) Notice the Township will provide necessary reasonable services to individuals with disabilities at the Board of Review meetings upon 3 days' notice. Contact: The Assessor's Office at (810) 395-4915 to make necessary arrangements for assistance.

2025 Applicants may be eligible for consideration if they meet the following:

2025 Poverty Income Guidelines

<u>Persons In Household</u>	<u>Household Income</u>	<u>Board of Review Action</u>
1	\$0 - \$15,060	100% reduction in Taxable Value
	\$15,061 - \$18,825	75% reduction in Taxable Value
	\$18,826 - \$22,590	50% reduction in Taxable Value
	\$22,591 - \$33,885	25% reduction in Taxable Value
	over \$33,886	No hardship relief will be granted
2	\$0 - \$20,440	100% reduction in Taxable Value
	\$20,441 - \$25,550	75% reduction in Taxable Value
	\$25,551 - \$30,660	50% reduction in Taxable Value
	\$30,661 - \$38,325	25% reduction in Taxable Value
	over \$38,326	No hardship relief will be granted.

For each additional person over 2 in the household, add \$5,380 to income levels to determine income qualifications.

Updated 12/16/2024

MUSSEY TOWNSHIP 2025 ASSET GUIDELINES

Section III. As required by P.A. 390 of 1994 and P.A. 253 of 2020 as amended, P.A. 141 of 2022, and P.A. 191 of 2023, all guidelines for poverty exemptions as established by the governing body of the local assessing unit SHALL also include an asset level test. The following assets shall be considered when applying an asset test to determine qualification for tax exemption:

1. The applicant shall not have “**liquid assets**” in excess of two (2) times the estimated annual tax obligation of the current assessment. Examples of “liquid assets” may include, but is not limited to, the cash value of life insurance policies, mutual funds, bonds or stocks as well as money market accounts, savings accounts, or checking accounts.
2. The applicant shall not have **total assets** in excess of ten (10) times the annual household income of the applicant or those contributing to the expenses of the household. Total assets may include but is not limited to, cars, boats, real estate that is not the homestead (including rental properties and vacant properties), and all liquid assets.

Liquid Assets may include but are not limited to:

- Bank accounts- both foreign and domestic
- Financial statements such as IRA, Pension, Retirement, HSA, Social Security debit card, Business accounts, Child Support, Apple Pay, Zelle, Venmo, direct payment accounts, cryptocurrency, etc. Stocks and Bonds.
- IRA and other investment accounts
- Money received from the sale of property such as stocks, bonds, a house, or a car unless the 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 include snowmobiles, boats, camping trailers, travel trailers, motor homes, Jet skis, motorcycles, off-road vehicles, or anything else which may be considered a Recreational vehicle.*

All asset information, as requested in the Application for Property Tax 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 assets are not properly identified, incomplete, or appears to be misleading or fraudulent.

The Board of Review for Mussey Township takes this task seriously and attempts to provide relief to all deserving residents within the township. The documentation provided is considered **CONFIDENTIAL** and **RESTRICTED to Township/Michigan Tax Tribunal/State Tax Commission authority only.**

The foregoing Resolution Motion by Board Member: Standel
And supported by Board Member: Kegler

Upon a roll call vote, the following voted:

AYES: Downey, Standel & Kegler
NAYE: None
ABSENT: Lewis & Nemecek

Be further resolved that this resolution approved this day, January 15, 2025, is properly adopted by the Mussey Township Board of Trustees.

I, Monica Standel, the duly elected, qualified Clerk of the Township of Mussey, County of St. Clair, State of Michigan, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the Board of Trustees of the Township of Mussey held on January 15, 2025 at which a quorum was presented by roll call vote of said members as herein before set forth; that said Resolution was ordered.



Township Clerk, Monica Standel

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

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

MCL 211.7u Poverty Exemption Taxpayer Fact Sheet

MCL 211.7u provides for a property tax exemption, in whole or part, for the principal residence of persons who, by reason of poverty, are unable to contribute to the public charges. For purposes of the poverty exemption, the term “principal residence” means how principal residence exemption and qualified agricultural property are defined in MCL 211.7dd. The exemption does not apply to property of a corporation. This Taxpayer Fact Sheet includes updates made to MCL 211.7u by Public Act 253 of 2020.

How To Apply For The Poverty Exemption

To request a poverty exemption, a taxpayer must file:

1. Form 5737 *Application for MCL 211.7u Poverty Exemption*
2. Form 5739 *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*
3. All required additional documentation (such as federal/state income tax returns)

Forms 5737 and 5739, along with any additional documentation, must be filed with the local assessing unit where the property is located. **Do not file these forms with the Department of Treasury or the State Tax Commission.** The forms may be submitted to the local assessing unit on or after January 1 but before the day prior to the last day of the December Board of Review during the year in which the exemption is requested.

Taxpayers should contact the local assessing unit directly to verify deadline dates for submission of the forms to ensure the application gets reviewed by a Board of Review during that calendar year.

In addition to filing Forms 5737 and 5739 and any supporting documentation, a taxpayer must do all the following to be eligible for the poverty exemption:

1. Own and occupy the property as a principal residence.
2. Provide federal and state income tax returns for the current or immediately preceding year, including any property tax credits, for all persons **residing in the principal residence** (disclosure of the income of an owner who is not residing in the principal residence is not required). 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. Instead, Form 4988, *Poverty Exemption Affidavit* may be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current or immediately preceding year.

3. Produce a valid driver license or other form of identification, if requested.
4. Produce a deed, land contract, or other evidence of ownership of the property, if requested.
5. 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 or alternative guidelines adopted by the local assessing unit. The alternative guidelines cannot provide income eligibility requirements less than the federal guidelines.
6. Meet the asset level test adopted by the local assessing unit.

Appeal Rights

An appeal of a decision of the March Board of Review is made by completing and submitting a petition to the Michigan Tax Tribunal no later than July 31 of the same year. A decision of the July or December Board of Review may be appealed by completing and submitting a petition to the Michigan Tax Tribunal within 35 days of the July or December Board of Review's decision. More information on how to file an appeal is available by contacting the Michigan Tax Tribunal. Information can also be viewed on the Michigan Tax Tribunal's website at <https://www.michigan.gov/taxtribunal>.

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	