



RESOLUTION

BOARD OF REVIEW POVERTY GUIDELINES

WHEREAS, the adoption of guidelines for poverty exemptions is required of the Charter Township Board; and

WHEREAS, the principle residence of persons who, in the judgment of the Supervisor/Assessor and the Board of Review, by reason of poverty/hardship, are unable to contribute to the public charge is eligible for exemption in whole or part from taxation under Public Act 390, 1994 (MCL211.7u); and

WHEREAS, pursuant to PA 390, 1994, Grass Lake Charter Township, Jackson County, adopts the attached 2024 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;

NOW THEREFORE BE IT RESOLVED that the Supervisor/Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption for 2024, unless the 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.

The foregoing Resolution was offered by Grass Lake Charter Township Board Member

Lesinski and supported by Board Member Loveland.

Upon roll call vote, the following voted:

Aye: Lesinski, Loveland, Bednarski-Lynch, Harris, Lamborghini, Brennan
Nay: None Absent: Bray

Signature: Gail M. Harris Date 1/10/24
Gail M. Harris, Clerk



GRASS LAKE CHARTER TOWNSHIP BOARD OF REVIEW 2024 GUIDELINES FOR POVERTY EXEMPTIONS

In granting a poverty exemption in part or in whole, the applicant as well as the Board of Review realizes this represents a shift of that portion of the tax burden to the other taxpayers in the community.

1. A POVERTY Exemption is defined by the Michigan Compiled Laws Sec. 211.7u as "The real and personal property of persons, in the judgment of the Supervisor and Board of Review by reasons of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation under this act."
2. A poverty exemption is granted for *one year only*. The applicant must apply each year to be considered for an exemption. The application and supporting documentation must be submitted after January 1, 2023, but before the December Board of Review
3. The poverty exemption shall apply to the applicant's principal residence only and not other lands.
4. To request a poverty exemption, a taxpayer must file:
 - a. Form 5737 - *Application for MCL 211.7u Poverty Exemption*
 - b. Form 5739 - *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty*
 - c. All required additional documentation (such as federal/state income tax returns)
5. Additional documentation the applicant is required to provide-
 - a. Copies of federal and state income tax returns for all persons residing in the principal residence. These income tax returns shall include those filed in the current year or in the immediately preceding year. **Important:** if an income tax return is not required to be filed, a copy of a signed affidavit (Form 4988) attesting to this fact must accompany the application. This form is available on the GLCT and State of Michigan websites.
 - b. Complete copies of the previous 12 monthly statements for any bank or investment accounts, for all persons residing in the principal residence.

*If the above qualifications are met, a determination for exemption shall be based on two guidelines - an **income level test** and an **asset level test**. These guidelines pertain to all persons residing in the principal residence.*

Local governing bodies are required to adopt guidelines that set income levels for poverty exemptions 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.

- 1) **2024 Income Level Guideline:** Income includes money, wages, social security, retirement & unemployment payments, alimony, child support, disability pensions, insurance payments, scholarships, grants, dividends, interest, rental income, gambling and lottery winnings. The following are the income guidelines approved by the Grass Lake Charter Township Board of Trustees for use in setting poverty exemptions for the 2023 assessments. These guidelines are established annually utilizing **150%** the U.S. Department of Health & Human Services Federal Poverty Guidelines.

2024 FEDERAL POVERTY GUIDELINES (FPG) ANNUAL AND MONTHLY INCOME LEVELS

FAMILY SIZE	INCOME 100% FPG		INCOME 150% FPG - GLCT GUIDELINE	
	<u>ANNUAL</u>	<u>PER MONTH</u>	<u>ANNUAL</u>	<u>PER MONTH</u>
1	\$14,580.00	\$1,215.00	\$21,870.00	\$1,822.50
2	\$19,720.00	\$1,643.33	\$29,580.00	\$2,465.00
3	\$24,860.00	\$2,071.67	\$37,290.00	\$3,107.50
4	\$30,000.00	\$2500.00	\$45,000.00	\$3,750.00
5	\$35,140.00	\$2,928.33	\$52,710.00	\$4,392.50
6	\$40,280.00	\$3,356.67	\$60,420.00	\$5,035.00
7	\$45,420.00	\$3,785.00	\$68,130.00	\$5,577.50
8	\$50,560.00	\$4,213.33	\$75,840.00	\$6,320.00
*	\$5,140.00	\$428.33	\$7,710.00	\$642.50

* For family units over 8, add the amount shown for each additional member

– Each additional member in the household. *“Members of a household” must qualify as a dependent from which the applicant is entitled to a dependency exemption by IRS rules.*

2) 2024 Asset Level Guideline:

Applicants cannot have more than \$25,000 in assets to be eligible for consideration. Assets include: cash, stocks, bonds, mutual funds, cash value insurance policies, coin collections, boats, RVs, motorcycles, recreational vehicles, second homes or salable real estate, gifts, retirement accounts, jewelry, antiques, equipment, etc.

These guidelines were approved by resolution of the Grass Lake Charter Township Board of Trustees at their January 12th, 2024 meeting.