

POVERTY EXEMPTION POLICY RESOLUTION #01102024

CHERRY VALLEY TOWNSHIP

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

WHEREAS, the principal residence of persons, who the 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 390 of 1994 (MCL 211.7U); and

WHEREAS, pursuant to PA 390 of 1994, the Township of Cherry Valley, Lake County adopts the following 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 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 an occupy as a principal residence the property for which an exemption is requested.
2. File a claim with the Board of Review, accompanied by federal and state income tax returns, including any property tax credit returns filed in the immediately preceding year or in the current year or a signed State Tax Commission Form 4988, Poverty Exemption Affidavit. Note: if claimant does not file federal and state income tax proof of income shall be presented.
3. File a claim reporting that combined assets do not exceed the current 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, etc.
4. Produce if requested 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 State Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
7. The application for an exemption shall be filed after January 1, but no later than one day prior to the last day of the March 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.
8. Shall meet the following Asset Test:
 - a. The property for which the poverty exemption is requested shall have a Taxable Value that is no more than the average Taxable Value of the entire Residential class or Agricultural Class, which ever is applicable, for the year in which the application is made. The average taxable value shall be determined by the Assessor and will be based on the current Ad Valorem Assessment Roll as certified by the most recent meeting of the March Board of Review.
 - b. The assets of the claimant and all persons residing in the household shall not exceed \$25,000.00 in value, excluding from said \$50,000.00 the value of the homestead itself. The purposes of this paragraph, the Board of Review shall consider the value of the assets and shall not reduce such value by any indebtedness owed on such assets, or indebtedness otherwise owned by the applicant.

The following (page 1) is the 2023 federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. Allowable income cannot exceed 100% of the

