

**CHARTER TOWNSHIP OF CLAYTON
BOARD OF TRUSTEES
GENESEE COUNTY, MICHIGAN**

RESOLUTION NO: 24-0208-05

**RESOLUTION TO ADOPT THE APPLICATION PROCEDURES FOR EXEMPTIONS
PURSUANT TO MCL 211.7U AND THE 2024 POVERTY GUIDELINES**

WHEREAS, MCL 211.7u provides that the principal residence of persons, who, in the judgment of the Charter Township of Clayton Supervisor and the Charter Township of Clayton Board of Review, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation under the act;

WHEREAS, pursuant to MCL 211.7u, Genesee County has adopted guidelines for the Charter Township of Clayton Supervisor and the Charter Township of Clayton 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;

WHEREAS, to be eligible for any of the poverty exemptions provided by MCL 211.7u, a person must do and meet all of the following on an annual basis:

1. The applicant *must* own and occupy as a homestead the property for which the exemption is requested. The applicant *must* also produce a valid driver's license or other form of identification showing place of residence.
2. The applicant *must* file for 5737, Application for MCL 211.7u Poverty Exemption and for 5739, Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty, with the Board of Review as provided by the Clayton Charter Township Office. It must be received between January 1 of each year and the day prior to the last scheduled meeting day of the Board of Review for that year. **Note:** the filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.
3. Applicant *must* provide federal and state income tax returns for all persons residing in the homestead including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediately preceding year. Any additional information regarding the poverty application must be in writing and attached to the petition form (**Note:** If an applicant is not required to file a federal or state income tax return then they must show proof of income and file the attached affidavit (Form 4988) for all persons residing in the residence who were not required to file federal or state tax returns for the current or preceding year.

4. The applicant must produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested to support the information provided on the Poverty Petition, if requested by the Assessor or Board of Review.
5. An applicant must meet the federal poverty guidelines for the total household income as 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, as attached. Income includes, but is not limited to: money, wages, salaries before deductions, regular contributions from persons not living in the residence; net receipts from non-farm or farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions); regular payments from social security railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, supplemental security income (SSI); alimony, child support, military family allotments; private and governmental retirement and disability pensions, regular insurance, annuity payments; college or university scholarships, grants, fellowships, assistantships; dividends, interest, and net income from rentals, royalties, estates, trusts, gambling, or lottery winnings.
6. Meet the asset level test, which is established to be: the claimant's and household's total assets, excluding the principal residence, do not exceed thirty thousand dollars (\$30,000) plus up to thirty thousand dollars (\$30,000) of vehicle value. Applicants must provide a list of all assets when applying for the poverty exemption. Assets include, but are not limited to: a second home, land, and vehicles; recreational vehicles such as campers, motorhomes, boats and ATVs; buildings other than the residence; jewelry, antiques, artworks; equipment, other personal property of value; bank accounts (over a specified amount), stocks; money received from the sale of property, such as stocks, bonds, a house or car (unless a person is in the specific business of selling such property); withdrawals of bank deposits and borrowed money; gifts, loans, lump-sum inheritances, and one-time insurance payments; food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms; federal non-cash benefits programs such as Medicare, Medicaid, food stamps, and school lunches.
7. The Poverty Exemption applicant must provide additional relevant documentation if requested by the Assessor or Board of Review in order to fully investigate an application.
8. 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: a full exemption equal to a 100% reduction in taxable value or a partial exemption equal to a 25%, 50%, or 75% reduction in taxable value for the year in which the exemption is granted.

9. Poverty Exemptions must be processed annually. Under no circumstances will a poverty exemption be extended for a subsequent year without renewal of the poverty petition.
10. A property owner may appeal the March Board of Review's decision on a poverty exemption to the Michigan Tax Tribunal. This appeal must be made by June 30. A property owner may appeal the July Board of Review's decision or December Board of Review's decision to the Michigan Tax Tribunal within 35 days from the date of the decision. The assessor may also appeal a Board of Review's decision on a poverty exemption to the Michigan Tax Tribunal.
11. Households with a total combined income (or less) as calculated from all adult household members' 1040 Federal Income Tax Statements will be considered according to the following:

SIZE OF FAMILY UNIT

POVERTY GUIDELINES

1	\$14,580
2	\$19,720
3	\$24,860
4	\$30,000
5	\$35,140
6	\$40,280
7	\$45,420
8	\$50,560
For each additional person	\$ 5,140

12. The Charter Township of Clayton reserves the right to reject any application with fraudulent or incomplete information.

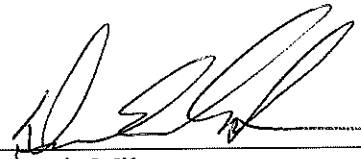
NOW THEREFORE BE IT RESOLVED, that an application for an exemption pursuant to MCL 211.7u shall comply with regulations and procedures as set forth herein and that the Charter Township of Clayton Supervisor and the Charter Township of Clayton Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption pursuant to MCL 211.7u.

(Signature Page to Follow)


YES 7
NO 0
ABSENT 0

THE RESOLUTION IS DECLARED ADOPTED X NOT ADOPTED _____

I, Dennis Milem, certify that the foregoing is a true and accurate copy of a Resolution adopted by the Charter Township of Clayton Board of Trustees, Genesee County, Michigan, at its regular meeting held on February 8, 2024, at the Charter Township of Clayton Hall, 2011 S. Morrish Rd., Swartz Creek, Michigan 48473.


Dennis Milem
Charter Township of Clayton Clerk

Dated: 2-8-24


Tom Spillane
Charter Township of Clayton Supervisor

Dated: 2-8-24