

GRASS LAKE CHARTER TOWNSHIP BOARD OF REVIEW

2017 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.

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.”*

1. A poverty exemption is granted for *one year only*. The applicant must apply each year to be considered for an exemption.
2. The poverty exemption shall apply to the applicant’s principle residence only and not excess land.
3. The applicant must have lived a minimum of two (2) years at the requested address and received a principle residence exemption during this time.
4. Property tax payments within the township must be current.
5. The State Equalized Value (SEV) of the principal residence may not exceed \$100,000.
6. **The applicant is required to provide** copies of federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns. 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 attesting to this fact must accompany the application.
7. **The applicant is required to provide** a complete copy of the previous 12 monthly statements for any bank or investment accounts for all persons residing in the principle residence.

*If the above qualifications are met, a determination for exemption shall be based on two guidelines - an income level and an asset level. **These guidelines pertain to all persons residing in the principal residence.** Meeting these guidelines does not automatically qualify an applicant for an exemption. The Supervisor and Board of Review will take into account the expenses and extenuating financial circumstances which are *temporarily* beyond the control of the applicant.*

1) Income Level Guideline:

The following are the poverty guidelines approved by the Grass Lake Charter Township Board for use in setting poverty exemptions for the 2017 assessments. These guidelines are established annually utilizing 150% times the U.S. Department of Health & Human Services poverty guidelines.

17,780	– 1 member in the households
24,030	– 2 member in the households
30,240	– 3 member in the households
36,450	– 4 member in the households
42,660	– 5 member in the households
48,870	– 6 member in the households
55,095	– 7 member in the households
61,335	– 8 member in the households
6,240	– 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) Asset Level Guideline:

Applicants cannot have more than \$25,000 in assets to be eligible for consideration. Assets do not include the principle residence or an automobile. Assets *do* include: stocks, bonds, mutual funds, cash value insurance policies, coin collections, boats, ORVs, motorcycles, recreational vehicles, second homes or salable property, retirement accounts, jewelry, etc.

These guidelines were approved by resolution of the Township Board at their December 13, 2016 meeting and adopted by the Board of Review at their meeting held on December 13, 2016.

Family Size	12 Months Income			6 Months Income			1 Month Income		
	100% Poverty Guideline	125% Poverty Guideline	150% Poverty Guideline	100% Poverty Guideline	125% Poverty Guideline	150% Poverty Guideline	100% Poverty Guideline	125% Poverty Guideline	150% Poverty Guideline
1	11,880	14,850	17,780	5,940	7,425	8,910	990	1,238	1,485
2	16,020	20,025	24,030	8,010	10,013	12,015	1,335	1,669	2,003
3	20,160	25,200	30,240	10,080	12,600	15,120	1,680	2,100	2,520
4	24,300	30,375	36,450	12,150	15,188	18,225	2,025	2,531	3,038
5	28,440	35,550	42,660	14,220	17,775	21,330	2,370	2,963	3,555
6	32,580	40,725	48,870	16,290	20,363	24,435	2,715	3,394	4,073
7	36,730	45,913	55,095	18,365	22,957	27,548	3,061	3,826	4,591
8	40,890	51,113	61,335	20,445	25,557	30,668	3,408	4,259	5,111
9	45,050	56,313	67,575	22,525	28,157	33,788	3,754	4,693	5,631
10	49,210	61,513	73,815	24,605	30,757	36,908	4,101	5,126	6,151
For each additional household member add:	4,160	5,200	6,240	2,080	2,600	3,120	347	433	520