

**CUSTER TOWNSHIP
COUNTY OF ANTRIM, MICHIGAN
Resolution 2 of 2025**

Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test

WHEREAS, Custer Township Board adopted a Resolution for the Poverty Exemption January 9, 2024 (Resolution 2 of 2024); and

WHEREAS, Custer Township is updating the Poverty Exemption Resolution & Asset Test Policy; and

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

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

The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all people residing in the household.

To be eligible for exemption, a person must do all of the following on an annual basis:

- 1) Own and occupy, as principal residence, the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the local assessing unit.
- 2) File a claim with the board of review on a form prescribed by the state tax commission and provided by the local assessing unit, accompanied by 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. 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, and an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return.
- 3) Produce a valid driver license or other form of identification if requested by the supervisor or board of review.
- 4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the supervisor or board of review.
- 5) Meet the federal poverty income guidelines as defined and determined annually by the U.S. Department of Health and Human Services.
- 6) Meet additional eligibility requirements as determined by the township board, including:

A) If income exceeds the federal poverty income guidelines or assets exceed the amounts described below, a Poverty Exemption shall not be granted.

B) The Asset Level established under PA 390 of 1994 as described in the State Tax Commission Bulletin 6 of 2017, shall be employed. This asset level test is by the Township Board and the Board of Review:

1) Cash assets of the total household may not exceed an amount equal to two months' gross household income. This includes all forms of money generated, including income as described by the US Census Bureau, that is being held as: cash, money in checking/saving accounts, stock/bonds, one-time insurance payments/cash-out option insurance policies, coin/antique/artwork collections, boats, ORV's, motorcycles, recreational vehicles, jewelry, retirement accounts, gifts, loans, lump-sum inheritances, money markets and other financial institution accounts, and/or instruments or securities which can be readily converted to cash.

2) Fixed assets to the total household may not exceed \$5,000. Non-cash assets are defined as those which are not considered to be cash assets, as defined above.

3) The following assets are excluded from this limit:

- a) Applicant's principal residence and adequate transportation.
- b) Applicant's household personal property.
- c) Assets not accessible by the applicant, co-owner, or any member of the applicant's household.

WHEREAS, pursuant to PA 253 of 2020, if a person claiming an exemption qualified under the eligibility requirements, the board of review shall grant the exemption in whole or in part as follows:

A) A full exemption equal to a 100% reduction in taxable value for the tax year in which the exemption is granted.

B) A partial exemption equal to 1 of the following:

- 1. A 50% or 25% reduction in taxable for the tax year in which the exemption is granted.
- 2. As approved by the state tax commission, any other percentage reduction in taxable value for the tax year in which the exemption is granted, applied in a form and manner prescribed by the state tax commission.

BE IT ALSO RESOLVED that the supervisor and board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution offered by Board Member D. Allen

Second offered by Board Member A. Fleet

Upon roll call vote: YES Elder, Fleet, Allen, Flake, Simon

NO 0 N/A

The Township Supervisor declared the resolution adopted.

I, Stacy Simon, the duly elected and acting Clerk of Custer Township, hereby certify that the foregoing resolution was adopted by the township board of said township at the regular meeting of said board held on January 9, 2024, at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.

Stacy Simon

Clerk