

PETITION NUMBER _____

PARCEL NUMBER _____

Bates Township

Application for Tax Exemption - Poverty

Pursuant to Section 211.7u
Michigan Compiles Laws

The Application for MCL 211.7u Poverty Exemption (MI form 5737) must be filled out carefully and completely along with a petition to the Board of Review.

A copy of previous year Federal Income Tax Returns, with the Michigan Property Homestead Form (MI-1040CR), **must** be submitted with this application for each person residing on the property.

All applications **MUST** be complete and contain accurate information or they will not be considered.

Applications submitted without completed forms or income tax returns will **NOT** be processed. – if you or a person residing on the subject property did not file, complete and submit form(s) 4988 – “Poverty Exemption Affidavit.” (copy provided in Appendix B)

The application for an exemption shall be filed after January 1 but before December 5th of the year the exemption is being requested.

Petition to Board of Review

L-4035

This form is issued under the authority of P.A. 206 of 1893, as amended. Filing is voluntary, however you may not appeal to the Michigan Tax Tribunal or the State Tax Commission unless you first protest to the Board of Review.

TO BE COMPLETED BY OWNER OR OWNER'S AGENT

Owner's Name (Please Print or Type)	Petitioner's Name (If Other than Owner. Please Print or Type)
Township or City	County

The undersigned protests the assessed value and/or the tentative taxable value and/or the property classification and/or the qualified agricultural property exemption of the following described property:

Property Identified (Parcel code required. Property address & legal description optional)

Protested Item Assessed Value Tentative Taxable Value Classification Qualified Agricultural Property Exemption

1. PROTEST OF ASSESSMENT

(Complete this section for a protest of assessed value and/or tentative taxable value)

Assessed Amount	Owner's Estimate of True Cash Value	Tentative Taxable Value	Year
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2. PROTEST OF CLASSIFICATION

(Complete this section for a request to change the classification. The Board of Review must make their decision regarding classification in accordance with Section 211.34c of the Michigan Compiled Laws. The Board of Review shall not be influenced by the effect that a particular classification has on that property's status as a homeowner's principal residence or qualified agricultural property.)

Classification of property on this year's assessment roll

Classification should be (check one of the following):

Agricultural Industrial Timber Cutover Utility (Personal Property Only)
 Commercial Residential Developmental

3. PROTEST OF EXEMPTION FOR QUALIFIED AGRICULTURAL PROPERTY

(If the assessor has denied or changed the percentage of the exemption from the 18 mills of local school operating tax for qualified agricultural property, the owner may appeal this action to the March Board of Review. THE BOARD OF REVIEW HAS NO AUTHORITY TO CONSIDER OR ACT UPON THE EXEMPTION FROM THE 18 SCHOOL OPERATING MILLS FOR HOMEOWNER'S PRINCIPAL RESIDENCE PROPERTIES.)

Percent qualified agricultural exemption granted by assessor (Enter 0 if exemption denied)	Percent qualified agricultural exemption requested by owner (Enter 100 if full exemption requested)
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4. REASON FOR PROTEST

State reason(s) for protest of assessed value and/or the tentative taxable value and/or classification and/or qualified agricultural property exemption

CERTIFICATION

Signature	Date
Address	Phone Number

I. GENERAL

The Township Board of Review (BOR) recognizes the need to have available a set of guidelines by which residents in need of assistance, under Michigan Compiled Law 211.7u, can make an application for property tax relief. The BOR further recognizes that, pursuant to statute, as well as case law, they must adopt guidelines approved by the Township Board of Trustees to be used as standards when considering appeals made based on financial hardship. Any application form, or required content area, submitted to the BOR that is inaccurate or not fully completed will result in a denial of the appeal. All information in the application is subject to a request for verification from the BOR or the Township Assessors office.

II. BASIC FILING REQUIREMENTS

In order to be considered for property tax exemption under MCL 211.7u each applicant **MUST**:

- a. Own and occupy the property that is subject to the exemption request, as a Principal Residence, as defined by law.
- b. Complete and submit an Application for Property Tax Application (MI form 5737). This application includes the requirement to list income from all sources and the value of certain personal property and liquid assets. The use of additional supplemental sheets may be necessary for these listings.
- c. Submit the application and attachments by December 1st to be considered for the current year. It is best to submit the application prior to or at the March Board of Review (BOR).
- c. Submit income, personal property and asset verification as required, or any additional information requested by the BOR.
- d. Submit current Federal and State Income Tax Returns and State Homestead Property Tax Credit Form.

III. PROCESSING APPLICATIONS

Once an Application for Property Tax Exemption is completed and returned to the Supervisor's Office, it will be reviewed by staff. The assessing staff may attach a worksheet containing various property-related information, such as the estimated current net property tax liability. The supervisor then will submit the Application to the Board of Review for their review and consideration in a work session. The Board of Review, in their consideration, may contact the applicant for any additional information deemed necessary. The Board of Review shall also reject any application where information contained in it appears fraudulent, misleading or incomplete.

IV. INCOME GUIDELINES TO BE USED

The income guidelines used by the Board of Review have been established in accordance with P.A. 390 of 1994, as amended. **Income levels shall be as listed in appendix A.**

Examples of “income” includes (according to the US Census Bureau):

- Money (cash), wages and salaries before any deductions
- Net receipts from self-employment (from a person’s own business, professional enterprise or partnership, after deductions for business expenses.
- Regular payments from Social Security, Railroad Retirement, unemployment, worker’s compensation, veteran’s payments and any public assistance.
- Alimony, child support and military family allotments
- Private pensions, government pensions and regular insurance or annuity payments
- College or university scholarships, grants, fellowships and assistantships.
- Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

Appendix A contains the household income level guidelines to be used by the Board of Review in determining property tax exemptions for the current year Township property tax assessments.

V. ASSET GUIDELINES TO BE USED

The purpose of an asset test is to determine the resources available: cash, fixed assets or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. To be considered for the property tax exemption, the combined value of additional assets of all persons living on the property shall not exceed two times income guidelines as listed in appendix A

Examples of additional assets include:

- Equity in the primary residence above the Township average SEV for residences
- A second home, condo (the primary residence is exempt)
- Furniture kept at a property other than the primary residence
- Additional land and / or buildings
- Additional motor vehicles (one motor vehicle is exempt)
- Recreational vehicles (campers, motor homes, boats, ORVs, ATVs, etc.)
- Equipment, other personal property of value
- Jewelry
- Antiques
- Artwork
- Construction/Excavating Equipment
- 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
- Bank accounts
- Stock Certificates, Stocks owned or in a brokerage account

- Borrowed money, withdrawals of bank deposits
- Gifts, loans, lump-sum inheritances, insurance payments, proceeds from other asset sales

All asset information, as requested in the Application for Property Tax Exemption must be completed in total. Attach additional sheet listings, if required. The Board of Review may request additional information and verification of assets if they determine it to be necessary and may reject any application if assets are not properly identified.

VI. PARTIAL POVERTY EXEMPTION GUIDELINES

In making its determination of the exemption amount, the Board of Review shall consider the Income Value & Asset Value of the applicant and grant an exemption, if qualified according to the following schedule;

- A full 100% exemption for any Principal Residence with the Income Value or Asset Value of less than the Federal Poverty Guidelines adopted by the Township.
- A 50% exemption on Taxable Value for any Principal Residence OVER the Income Value or Asset Value by \$1200 to \$2400.
- A 25% exemption on Taxable Value for any Principal Residence OVER the Income Value or Asset Value by \$2400 to \$3600.

VII. SUMMARY

The Board of Review has been given exclusive jurisdiction over the granting of a property tax exemption due to financial hardship. The Board of Review takes this task seriously and attempts to provide relief to all deserving residents within the Township.

In determining qualifications for property tax exemption, the Board of Review shall consider every variable on the submitted application, including total household income, the nature and duration of the income stream, the state equalized value of the subject property, the total value of the listed additional assets, the quality and accuracy of the information submitted and any other such evidence as they feel appropriate in making their decision. In general, these income and asset guidelines shall assist the Board of Review in their decisions.

Appendix A

Income Guidelines for 2025

Size of Family Unit	Poverty Guidelines
1	\$15,060
2	\$20,440
3	\$25,820
4	\$31,200
5	\$36,580
6	\$41,960
7	\$47,340
8	\$52,720
For each additional person	\$5,380

Appendix B

Michigan Department of Treasury
4988 (05-12)

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence:

Signature of Person Making Affidavit

Date