

**St. Ignace Township Board**  
**Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test**

**WHEREAS**, 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

**WHEREAS**, the township board is required by Section 7u of the General Property Tax Act, Public Act 206 of 1893 (MCL 211.7u), to adopt guidelines for poverty exemptions;

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, pursuant to MCL 211.7u, that St. Ignace Township, Mackinac County, adopts the following guidelines for the supervisor and 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.

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a homestead the property for which an exemption is requested.
- 2) File form 5737 Application for MCL 211.7u Poverty Exemption.
- 3) File form 5739 Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty.
- 4) Provide federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns filed in the immediately preceding year or in the current year, or file Form 4988 Poverty Exemption Affidavit for each person not required by law to file Federal and/or State income tax return(s).
- 5) Produce a valid drivers' license or other form of identification if requested.
- 6) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 7) Meet the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget.
- 8) The application for an exemption shall be filed after January 1, but before the day prior to the last day of the Board of Review.
- 9) Meet additional eligibility requirements as determined by the township board, including the following Asset Test.
  - a. Things of value the applicant and persons in the household can own and are exempt from consideration in determining eligibility for a poverty exemption.
    - \* Applicant's principal residence with a maximum footprint of the home and 10 acres. Additional land over 10 acres will be considered an asset.
    - \* One motor vehicle per working adult.
    - \* Essential household goods.
    - \* Personal assets of any nature with a total value up to \$10,000.
  - b. Things of value the Board of Review can consider in determining what percent to grant:
    - \* Real estate other than the principal residence limited to 10 acres.
    - \* Personal property.
    - \* Motor vehicles in excess of one per working adult.
    - \* Recreational vehicles and equipment.

\* Certificate of deposits, savings accounts, checking accounts, stocks, bonds, life insurance, and retirement funds, etc.

- c. The Board of Review shall consider the value of the assets, or indebtedness otherwise owned by the applicant and all persons residing in the primary residence. Assets (except those exempt from consideration as listed above), shall not exceed \$10,000.

**WHEREAS**, pursuant to PA 253 of 2020, if a person claiming an exemption qualifies 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 if only assets exempt from consideration are owned.
- b. A partial exemption equal to a 50% reduction in taxable value if non-exempt assets are owned, but the asset threshold is not exceeded.

**NOW, BE IT ALSO RESOLVED** that the 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 Oja and supported by Board Member Mitchell.

Upon roll call vote, the following voted "Aye:" 4 "Nay:" 0

The <sup>Clerk</sup> Supervisor declared the resolution adopted.

Sheri Oja  
Clerk

I, Sheri Oja the duly elected and acting Clerk of St. Ignace 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 \_\_\_\_\_, 20\_\_\_\_, at which meeting a quorum was present by a roll call vote of said members as herein before set forth; that said resolution was ordered to take immediate effect.

Sheri Oja  
Clerk