

Township of Powell
Guidelines for Poverty Exemptions Review

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Income and Asset Test Guidelines for Property Tax Relief

Pursuant to Section 211.7u
Michigan Compiled Laws

The following income level and asset tests will be used by the Board of Review to help determine potential eligibility for a claim of hardship and relief from the payment of property taxes. The property owner pursuing this must file the State of Michigan Application for MCL 211.7u Poverty Exemption (Form 5737) and any other documentation requested by the Board of Review.

General Overview

The Board of Review of the Township of Powell recognizes the need to have available a procedure by which residents in need of assistance under MCL-211.7u, can make an application for property tax relief. The Board further recognizes that, pursuant to statute, as well as case law, they must adopt procedures and guidelines, approved by the Powell Township Board, to be used as standards when considering appeals made based on financial hardship. The Board of Review understands that these guidelines must be adhered to when reviewing hardship appeals and reserves the right to make individual considerations within their authority, as they feel necessary. **Any form submitted that is inaccurate or not fully completed will result in a denial of the appeal.** All information in the form is subject to verification from the Board of Review.

Basic Filing Requirements

In order to be considered for exemption under MCL 211.7u each applicant must:

- a) Own and occupy the property as a homestead, as defined by law, for which the request is being made.

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- b) Complete and submit the State of Michigan Application for MCL 211.7u Poverty Exemption (Form 5737) and Affirmation of Ownership (Form 5739).
- c) Submit income verification as required. This must include current Federal and State Income Tax Returns, Social Security and pension statements, or any additional information requested by the Board of Review.

Processing Applications

Once the State Application (Form 5737) and supporting documentation is completed and returned to the Assessing Department, it will be reviewed by the assessor and prepared for presentation at the next meeting of the Board of Review. The applicant may be asked to attend this meeting to answer any questions in the matter being presented. The Board of Review, in making their decision, may contact the applicant for any additional information they deem necessary. The Board of Review shall also reject an application where the information contained in it appears fraudulent, misleading or incomplete.

An Asset Test is required as part of the application process.

The purpose of an asset test is to determine the resources available (cash and fixed assets and property that could be converted to cash) that could be used to pay property taxes in the year the poverty exemption is filed. The following asset test shall apply to all applications for poverty exemption.

It has been determined by the Township Board that additional assets are limited to a total of **\$4,000** for individual applicant and/or **\$6,000** per household if more than one financial contributor.

Please answer the following questions:

1. Do you own a second home or additional land? YES _____ NO _____
2. Do you own recreational vehicles such as campers or boats? YES _____ NO _____
3. Do you own other buildings other than your residence? YES _____ NO _____
4. Do you have bank accounts with a balance over \$4,000? YES _____ NO _____
5. Do you own equipment or other personal property of value? YES _____ NO _____
6. Have you received lump sum inheritances? YES _____ NO _____
7. Have you received one-time insurance payments? YES _____ NO _____
8. Do you own jewelry, antiques or artworks? YES _____ NO _____

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CHECK LIST

2025 POVERTY EXEMPTION ATTACHMENTS

(Please submit copies only – not originals)

**THIS COMPLETED CHECK LIST MUST BE RETURNED
WITH THE POVERTY EXEMPTION APPLICATION**

Note: Provide copies of the following as proof for **all occupants living in the home** even if not contributing to household income or expenses.

_____ Timely filed and fully complete and signed Poverty Exemption Application.

_____ Copies of 2024 Federal and State Income Tax Returns (or completed Form 4988, Poverty Exemption Affidavit, if you are not required to file income tax returns).

_____ Copies of 2024 W-2 Forms, Social Security Statements (SSA-1099), Disability Statement or similar income verification for all household members

_____ Copies of statements from additional income sources including unemployment, alimony, child support, ADC, Food Stamps, etc.

_____ Copies of statements for checking account, savings account, certificate of deposit (CD's), stocks, bonds, pension (IRA, 401, etc.) account or any other asset/retirement account

_____ Copy of 2024 mortgage/equity loan payment verification showing the current loan balance and principal and interest payment amounts.

POLICY DECLARED ADOPTED BY THE POWELL TOWNSHIP BOARD FEBRUARY 18TH, 2025.