

POVERTY EXEMPTION GUIDELINES FOR 2020

(UNDER MCL 211.7u - NEW REQUIREMENTS)
USING 12-31-2019 INCOME STANDARDS FOR 2020

NEW POVERTY EXEMPTION REQUIREMENTS EFFECTIVE 1994

PA 390 of 1994 states that the poverty exemption shall not be granted to property owned by a corporation.

Starting 1995, PA 390 of 1994 states that the governing body of the local assessing unit shall determine the policies and guidelines that the local assessing unit will use when deciding whether to grant poverty exemptions.

PA 390 requires that the poverty exemption guidelines include the asset levels of the entire household. The determination of the amount of the asset levels is left to the discretion of the local governing body. Local governing bodies are required by the Act to set income and asset levels for their poverty exemption guidelines.

In order to qualify for the poverty exemption, the claimant must meet all of the tests set by the local governing body.

PA 390 requires that local assessing units make available to the public their policies and guidelines for the granting of poverty exemptions. The Board of Review shall follow the policies and guidelines of the local assessing unit when granting or denying a poverty exemption. The same standards shall apply to each claimant in the unit for the assessment year.

PA 390 requires that the poverty exemption guidelines set by the governing body of the local assessing unit include income and asset level. The Act further requires that the income levels NOT be set lower than the federal poverty income standards.

PARTIAL POVERTY EXEMPTIONS:

Beginning in 1995, PA 390 of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only a part of the taxable value of the property rather than the entire taxable value.

FILING FOR THE POVERTY EXEMPTION:

In order to be eligible for the poverty exemption, the claimant must do all of the following on an annual basis:

MAXIMUM ASSET STANDARDS TO BE ELIGIBLE FOR A POVERTY EXEMPTION
(PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall include an asset level test)

The City of Laingsburg has adopted the following MAXIMUM ASSET STANDARDS for a household to be eligible for a POVERTY EXEMPTION. The below asset levels DO NOT include the value of your homestead. (Per Tribunal ruling 08-13-97, Docket #236230), and the equity of the homestead should not be included within the asset test to be valid. (Asset levels are increased by the CPI each year.

Assets, (except the original homestead and minimum zoning required footprint, essential household goods and the first \$5,000 of the market value of a motor vehicle), shall not exceed \$4,000 (four thousand) dollars for individual applicants and/or \$6,000 (six thousand dollars) per household if more than one financial contributor.

If your household assets exceed this amount you are NOT eligible for a POVERTY EXEMPTION.

CITY OF LAINGSBURG
Property Tax
POVERTY EXEMPTION APPLICATION

I, _____, being the owner and resident of the property listed below, desire to apply for Tax Relief under Section 211.7u of the Michigan General Property Tax Act: (The Homestead property of persons who, in the judgement of the Assessor and Board of Review, by reason of poverty, are unable to contribute toward the public charges, are exempt from taxation under this act).

IF JOINT APPLICATION, YOU MUST PROVIDE THE FOLLOWING INFORMATION FOR BOTH PARTIES:

PROPERTY & APPLICANT INFORMATION

Parcel Number: 022-_____

Address: _____ Phone No: _____

Marital Status (Check One): Married Single Separated
 Divorced Widow Widower

Age of Applicant: _____

Is this property your homestead (primary residence)? _____

How long have you lived at this address? _____

DO YOU OWN, OR ARE YOU BUYING, ANY OTHER PROPERTY? YES__ NO__
IF YES, LIST.

| Property Address | Assessed Value | Joint Ownership? |
|------------------|----------------|------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |

DO YOU HAVE A MORTGAGE? YES__ NO__
IF YES: Payment: _____ Balance: _____

ARE YOU IN FORECLOSURE? YES__ NO__

BANK ACCOUNTS & SAVINGS (List All Accounts Separately)

| Name of Bank, Savings & Loan or Credit Union | Amount On Deposit Now | In Whose Name Is The Account? |
|---|--------------------------|----------------------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

OTHER ASSETS

Motor Vehicles (Including Motorcycles, Motor Homes, etc.):

Make _____ Year _____ Value _____
Make _____ Year _____ Value _____
Make _____ Year _____ Value _____

Other (Boats, Travel Trailers, ATV's, Snowmobiles, Antiques, Etc.):

Type _____ Value _____ Type _____ Value _____
Type _____ Value _____ Type _____ Value _____

Savings Bonds (List each separately):

Bond _____ Current Value _____
Bond _____ Current Value _____

Stocks, Bonds, Mutual Funds, Mortgages, Land Contracts Held, Etc. (List each separately):

Current Value _____ Dividends & Interest Received in Previous Year _____
Current Value _____ Dividends & Interest Received in Previous Year _____
Current Value _____ Dividends & Interest Received in Previous Year _____

Life Insurance Policies:

Person(s) Insured _____ Current Cash Value _____
Person(s) Insured _____ Current Cash Value _____

HOUSEHOLD INFORMATION

List All Persons Living at Your Address (or college students) and How They Contribute to Your Income and/or Bills:

| Name | Age | Relationship | Monthly Financial Contribution |
|-------|-------|--------------|--------------------------------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

Do you plan or anticipate any changes in your living arrangements or financial situation in any way this year? If yes, explain:

Please add any other information that you feel is important to this application.

Application Required Documents Checklist:

- ___ Federal Income Tax Return (previous year)
- ___ State Income Tax Return (previous year)
- ___ Property Tax Credit Return (previous year)
- ___ Signed Affidavit if you do not file tax returns
- ___ Proof of Income (most recent one month period – pay stubs, benefit statements, etc.)
- ___ Proof of Identity (drivers license, pictured identification, etc if requested by BOR.)
- ___ Proof of ownership (deed, contract, etc if requested by BOR.)

I certify that the above information is true and correct to the best of my knowledge.

Signature _____ Date _____

IF YOU HAVE ANY QUESTIONS OR NEED HELP FILLING OUT THIS APPLICATION, PLEASE FEEL FREE TO CALL THE CITY HALL MONDAY-FRIDAY 8:30 AM TO 5:00 PM AT 651-6101.