

**TOWNSHIP OF PIERSON**  
**MONTCALM COUNTY, MICHIGAN**

At a regular meeting of the Township Board of the Township of Pierson, held at the Pierson Township Hall, 21156 Cannonsville Road, Pierson, Michigan, within the Township, on the 15th day of December 2025 at 7:00 p.m.

PRESENT: Maioho, Bergman, Burkholder, Orcutt, Sower

ABSENT: None

The following preamble and resolution were offered by Trustee Burkholder and seconded by Trustee Orcutt.

**RESOLUTION NO. 2025-21**

**RESOLUTION TO ADOPT AN ASSET AND INCOME TEST  
FOR DETERMINING ELIGIBILITY  
FOR POVERTY EXEMPTION FROM PROPERTY TAX FOR PRINCIPAL  
RESIDENCE AND TO ADOPT  
A POLICY AND GUIDELINES FOR DETERMINING ELIGIBILITY  
FOR THE POVERTY EXEMPTION FROM PROPERTY TAX FOR PRINCIPAL  
RESIDENCE**

WHEREAS, Act No. 390 of the Public Acts of Michigan of 1994, as amended, which is Section 7u of the General Property Tax Act, MCL 211.7u, provides that the principal residence of persons who by reason of poverty, are unable to contribute toward the public charges are eligible for exemption from taxation under the General Property Tax Act, MCL 211.1, *et seq.* (the “Act”)(“the poverty exemption”); and

WHEREAS, the Township desires to update the federal poverty income guidelines and adopt policies and guidelines for asset levels to be used in granting or denying a poverty exemption; and

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The Township hereby adopts the following policies and guidelines for determining eligibility for the poverty exemption based upon the applicant's asset levels and also updates the Federal Poverty Income Guidelines (which are updated annually) for income levels:

a. **Asset Test:** Notwithstanding that a taxpayer meets the Township's income qualifications, the Board of Review shall not approve an exemption if the taxpayer owns assets other than a principal residence which could be sold or otherwise liquidated for use in the payment of property taxes that exceed **\$21,000**. "Assets" include the following items identified in State Tax Commission Bulletin 17 of 2025:

- i. A second home, land, vehicles
- ii. Recreational vehicles such as campers, motor-homes, boats and ATV's
- ii. Bank Accounts, stocks
- iii. Money received from the sale of property, such as stocks, bonds, a house or car (unless a person is in the specific business of selling such property.)
- iv. Withdrawals of bank deposits and borrowed money.
- v. Gifts, loans, lump-sum inheritances, and one-time insurance payments.

b. **Income Test:** Notwithstanding that a taxpayer meets the Township's asset qualifications, the Board of Review shall not approve an exemption if the taxpayer's income exceeds the Federal Poverty Income Standards, as defined and determined annually by the United States Department of Health and Human Services and published by the State Tax Commission in their annual Procedural Changes Bulletin, to determine whether persons meet the maximum income requirements to be considered for a poverty exemption under Section 7u of the Act. The income of every person residing at the principal residence must be reported. The annual income as published in the STC Bulletin 15 of 2025 for the 2026 tax year is as follows:

**Size of Family Unit 2026 Poverty Guidelines**

1	\$15,650
2	\$21,150
3	\$26,650
4	\$32,150
5	\$37,650
6	\$43,150
7	\$48,650
8	\$54,150

For each additional person \$5,500

2. The Township also adopts the following policies and guidelines for determining eligibility for determining whether a poverty exemption on a principal residence should be granted:

a. To be eligible for a 100% poverty exemption a person shall do all of the following on an annual basis:

1. Be an owner of and occupy as a principal residence the property for which an exemption is requested. The term “principal residence” used herein shall mean principal residence or qualified agricultural property as those terms are defined in Section 7dd of the Act;

2. File a timely application with the Board of Review on the forms prescribed by the State Tax Commission 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 or a signed State Tax Commission Form 4988, Poverty Exemption Affidavit;

3. Annually file a poverty exemption application with the Board of Review after January 1 but no later than the December Board of Review meeting of the year for which the exemption is being sought:

4. Produce a valid driver’s license or other form of identification, if requested;

5. Produce a deed, land contract or other evidence of ownership of the property for which an exemption is sought, if requested;

6. Notwithstanding that a taxpayer meets the qualifications listed in Section 3(a)(1)-(7) of this Resolution, the Board of Review shall not approve a poverty exemption if the taxpayer owns or has control over assets other than his/her principal residence which could be sold or otherwise liquidated for use in the payment of property taxes that exceed **\$21,000**. This requirement is referred to as “the asset test” and the specifics are listed above in section 1(a).

7. Meet the Federal Poverty Income Standards as defined and determined annually by the United States Department of Health and Human Services and published by the State Tax Commission in their annual Procedural Changes Bulletin. The specifics are listed above in section 1(b).

3. All resolutions or parts of resolutions in conflict herewith are, to the extent of such conflict, rescinded.

AYES: Members: Maioho, Bergman, Burkholder, Orcutt, Sower

NAYS: Members: none

RESOLUTION DECLARED ADOPTED.

  
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Sara Burkholder, Township Clerk

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted at a regular meeting of the Township Board of the Township of Pierson held on 15th day of January 2025. Public notice of said meeting was given as provided by law.

  
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Sara Burkholder, Township Clerk