

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 18 th day of December 2023, at 7:00 p.m.

PRESENT: Buyze, Bergman, Burkholder, Orcutt, Sower

ABSENT: None

The following preamble and resolution were offered by Trustee Burkholder and seconded by Trustee Bergman:

RESOLUTION NO. 2023-14

**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, in the judgment of the Township Supervisor and Board of Review, by reason of poverty, are unable to contribute toward the public charges are eligible in whole or in part 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. In addition to the policies and guidelines previously approved by the Township Board in its 2010 resolution, the Township hereby updates the Federal Poverty Income Guidelines (which are updated annually) and also adopts the following additional policies and guidelines for determining eligibility for the poverty exemption based upon the applicant's asset levels:

a. Notwithstanding that a taxpayer meets the Township's income qualifications, the Board of Review shall not approve an 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**.

2. The Township's complete set of policies and guidelines that are now adopted include 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.

3. 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 Township Supervisor, Assessor or 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 Township Supervisor, Assessor or Board of Review after January 1 but no later than one day before the last day of the December Board of Review of the year for which the exemption is being sought:

4. Produce a valid driver’s license or other form of identification, if required by the Supervisor or Board of Review;

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

6. 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. “Income” includes, but is not limited to, the items identified in State Tax Commission Bulletins, including, but not limited to, **Bulletin 18 of 2023** and all amendments thereto. The income of every person residing at the principal residence shall be used to determine eligibility for the poverty exemption; and

7. Meet the Federal Poverty Income Guidelines which are updated annually by the United States Department of Health and Human Services and are as follows for the 2024 tax year:

Size of Family Unit 2024 Poverty Guidelines

1	\$14,580
2	\$19,720
3	\$24,860
4	\$30,000
5	\$35,140
6	\$40,280
7	\$45,420
8	\$50,560

For each additional person \$5,140

b. 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”.


c. “Assets” include but are not limited to the items identified in State Tax Commission Bulletins including, but not limited to, Bulletin 3 of 2021 and all amendments thereto.

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

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

NAYS: Members: None

RESOLUTION DECLARED ADOPTED.



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 18th day of December 2023. Public notice of said meeting was given as provided by law.



Sara Burkholder, Township Clerk