

## Dexter Township Resolution # 16-449

**A resolution to adopt poverty exemption income guidelines and asset test for the 2016 tax year.**

**WHEREAS**, the adoption of guidelines for poverty exemptions is within the purview of the township board; and

**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 Dexter Township, Washtenaw 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. File an exemption application, prior to the March, July or December Board of Review hearings, with the Supervisor or Board of Review, accompanied by 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.
2. Produce a valid drivers' license or other form of identification if requested.
3. Produce a deed, land contract, or other evidence of ownership for the principal residence for which an exemption is sought, if requested.
4. Not exceed maximum income levels as shown in Exhibit A. As required by statute, the maximum income levels are above the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget.
5. Meet an asset level test where:
  - a. The applicant's total State Equalized Value (SEV) cannot exceed 1.5 times the previous year's (2015) average SEV of Dexter Township residential properties with principal residence exemptions (\$184,718.00 for the 2016 tax year.).
  - b. The equity in the applicant's Principal Residence is exempted from inclusion up to the previous year's (2015) average SEV of Dexter Township residential properties with principal residence exemptions (\$123,145.00 for the 2016 tax year.).
  - c. The applicant's assets, not including assets described in A & B above, cannot exceed the most recent median HUD Family income for Washtenaw County, Michigan (\$84,350 for the 2016 tax year.).

Applications may be reviewed by the Board of Review without the applicant being present. However, the Board may request that any or all applicants be physically present to respond, under oath, to any questions the Board, Supervisor or Assessor may have.

In granting hardship exemptions, the Board of Review realizes this to represent a shift of that portion of the tax burden to the other taxpayers of the community and state.

The exemption shall only apply to the applicant's principal residence and the applicant must own and reside in the principal residence property.

Any relief granted is a reduction over and above the \$1200 maximum Principal Residence Property Tax Credit granted by the State of Michigan.

The Board of Review may grant relief within the following guidelines:

100% relief (applicant must pay any and all special assessments) for income that meets the Dexter Township guidelines as stated in Exhibit A below;

For each 1% above income stated in Exhibit A below, any property tax relief shall be calculated by a reduction of 4% from the maximum relief (all percentages calculated in even whole numbers without fractions of a percent), e.g.: an income of 15% above Dexter Township guidelines shall result in any relief granted to be a reduction from maximum relief in the amount of 60%, for a 40% relief (requiring applicant to pay 60% of the property tax, plus any and all special assessments).

BE IT ALSO RESOLVED that the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these are communicated in writing to the claimant.

**Exhibit A**

Size of Family or Household	2016 Federal Guidelines	Factor	2016 Dexter Township Guidelines 100% Relief	2016 Dexter Township Guidelines 0% Relief
1	\$11,770	1.45	\$17,067	\$21,333
2	\$15,930	1.40	\$22,302	\$27,878
3	\$20,090	1.35	\$27,122	\$33,902
4	\$24,250	1.30	\$31,525	\$39,406
5	\$28,410	1.25	\$35,513	\$44,391
6	\$32,570	1.20	\$39,084	\$48,855
Additional Person	\$4,160	1.15	\$4,784	\$5,980

Resolution offered by Clerk Ceo

Resolution seconded by Trustee Howard

Roll call vote:

Yeas – Rider, Ceo, Howard, Lesser, Gajewski, Maciejewski

Nays –None

Abstain – None

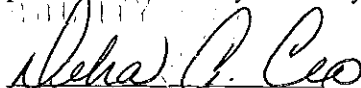
Absent - Treasurer Brushaber (with Notice)

Tally Y = 6; N = 0; Abstain = 0; Absent =1

The Supervisor declared the resolution adopted

**CERTIFICATE**

The undersigned, being the duly appointed and acting Clerk of the Township of Dexter hereby certifies that the foregoing resolution was duly adopted at a regular meeting of the Dexter Township Board at which a quorum was present on the 19<sup>th</sup> day of January, 2016, and that the members voted thereon as hereinbefore set forth.



Debra A. Ceo, Clerk