

Beth Friend, Supervisor  
Susanne M. Courtade, Clerk  
Tracey Bartlett, Treasurer



Glen Lile, Trustee  
Mindy Walters, Trustee  
Matt Courtade, Trustee  
Matt Cook, Trustee

**East Bay Charter Township  
Board of Trustees**

**Resolution 2023-03**

**Resolution Establishing Poverty Exemption Income Guidelines and Asset Test Policy**

At a regular meeting of the Township Board for the Charter Township of East Bay, Grand Traverse County, Michigan, held in the Township Hall located at 1965 N. Three Mile Road, Traverse City, Michigan, on the 13th day of February 2023,

PRESENT: Bartlett, M. Courtade, Cook, Walters, S. Courtade, Friend

ABSENT: Lile

The following resolution was offered by Walters and supported by S. Courtade and passed upon roll call vote.

Whereas the Township Board of the Charter Township of East Bay, Grand Traverse County, Michigan, 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;

Whereas the principal residence of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption in whole or in part from the collection of taxes under the General Property Tax Act, being Act 206 of the Public Acts of 1893, as amended; and

Whereas any previous Property Taxation Poverty Exemption resolution, guideline, and asset test passed by the East Bay Charter Township Board of Trustees will be deemed replaced; therefore, be it

*Resolved*, that pursuant to MCL 211.7u, the Township Board of the Charter Township of East Bay, located within Grand Traverse County:

1. Establishes the attached Poverty Exemption Guidelines and Asset Test Policy.

Upon roll call vote:

YES: Walters, S. Courtade, Cook, M. Courtade, Bartlett, Friend

NO: None

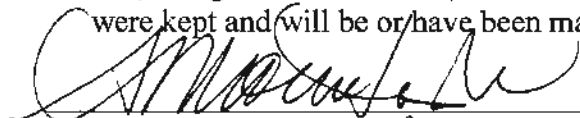
ABSTAIN: None

**THIS EAST BAY CHARTER TOWNSHIP BOARD OF TRUSTEES  
RESOLUTION 2023-03, APPROVED ON THE 13<sup>th</sup> DAY OF FEBRUARY, 2023,  
IS DECLARED ADOPTED BY THE TOWNSHIP SUPERVISOR  
AND DECLARED CERTIFIED BY THE CLERK.**

  
\_\_\_\_\_  
Beth Friend, Supervisor

2/13/2023  
\_\_\_\_\_  
Date

I, the undersigned, the Clerk of the Charter Township of East Bay, Grand Traverse County, Michigan, do hereby certify that the foregoing is a true and complete copy of certain proceedings taken by said municipality of East Bay Charter Township at its meeting, relative to the adoption of the resolution therein set forth, that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267 of 1976, Public Acts of Michigan, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

  
\_\_\_\_\_  
Susanne Courtade MiPMC<sup>2</sup>/MMC, Clerk

2/13/2023  
\_\_\_\_\_  
Date



## **Poverty Exemption Income Guidelines and Asset Test Policy**

### **I. GENERAL OVERVIEW**

The Board of Review of East Bay Charter Township recognizes the need to have a procedure by which residents in need of assistance under MCL 211.7u can make an application for property tax relief. The Board of Review further recognizes that, pursuant to statute, as well as case law, they must adopt guidelines, approved by the Board of Trustees, to be used as standards when considering appeals made based on financial hardship. The Board of Review understands these guidelines must be adhered to when reviewing hardship appeals. 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 or the Assessing Department.

### **II. POLICY APPLICATION**

This policy applies to the principal residence of individuals and does not apply to the property of a corporation. For the purposes of this policy, "principal residence" means either of the following:

1. The one place where an owner of the property has his or her true, fixed, and permanent home to which, whenever absent, he or she intends to return and that shall continue as a principal residence until another principal residence is established. Except as otherwise provided in this subdivision, principal residence includes only that portion of a dwelling or unit in a multiple-unit dwelling that is subject to ad valorem taxes and that is owned and occupied by an owner of the dwelling or unit. Principal residence also includes all of an owner's unoccupied property classified as residential that is adjoining or contiguous to the dwelling subject to ad valorem taxes and that is owned and occupied by the owner. Principal residence also includes all of an owner's unoccupied property classified as timber-cutover real property under section 34c that is adjoining or contiguous to the dwelling subject to ad valorem taxes and that is owned and occupied by the owner. Contiguity is not broken by boundary between local tax collecting units, a road, a right-of-way, or property purchased or taken under condemnation proceedings by a public utility for power transmission lines if the 2 parcels separated by the purchased or condemned property were a single parcel prior to the sale or condemnation. Except as otherwise provided in this subdivision, principal residence also includes any portion of a dwelling or unit of an owner that is rented or leased to another person as a residence as long as that portion of the dwelling or unit that is rented or leased is less than 50% of the total square footage of living space in that dwelling or unit. Principal residence also includes a life care facility registered under the living care disclosure act, 1976 PA 440, MCL 554.801 to 554.844. Principal residence also includes property owned by a cooperative housing corporation and occupied by tenant stockholders. Property that qualified as a principal residence shall continue to qualify as a principal residence for 3 years after all or any portion of the dwelling or unit included in or constituting the principal residence is rented or leased to another person as a residence if all of the following conditions are satisfied:

- a. The owner of the dwelling or unit is absent while on active duty in the armed forces of the United States.
  - b. The dwelling or unit would otherwise qualify as the owner's principal residence.
  - c. Except as otherwise provided in this subparagraph, the owner files an affidavit with the assessor of the local tax collecting unit on or before May 1 attesting that it is his or her intent to occupy the dwelling or unit as a principal residence upon completion of active duty in the armed forces of the United States.
2. "Qualified agricultural property," which is defined to mean unoccupied property and related buildings classified as agricultural, or other unoccupied property and related buildings located on that property devoted primarily to agricultural use as defined in section 36101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101. Related buildings include a residence occupied by a person employed in or actively involved in the agricultural use and who has not claimed a principal residence exemption on other property. Property shall not lose its status as qualified agricultural property as a result of an owner or lessee of that property implementing a wildlife risk mitigation action plan. Property used for commercial storage, commercial processing, commercial distribution, commercial marketing, or commercial shipping operations or other commercial or industrial purposes is not qualified agricultural property. A parcel of property is devoted primarily to agricultural use only if more than 50% of the parcel's acreage is devoted to agricultural use or if more than 50% of the parcel's acreage is devoted to a combination of agricultural use and is exempt under MCL 2117jj(1) as qualified forest property. An owner shall not receive an exemption for that portion of the total state equalized valuation of the property that is used for a commercial or industrial purpose or that is a residence that is not a related building. As used in this subdivision, "Wildlife risk mitigation action plan" means a written plan consisting of one or more projects to help reduce the risks of a communicable disease spreading between wildlife and livestock that is approved by the department of agriculture under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746.

### III. EXEMPTION APPLICATIONS

A property owner(s) seeking an exemption under this policy shall file an application for the exemption with the board of review on a form prescribed by the state tax commission and provided by the township assessor after January 1 but before the day prior to the last day of the board of review.

### IV. ELIGIBILITY

To be eligible for exemption under this policy, a property owner(s) shall comply with all of the following requirements on an annual basis:

1. Be an owner of and occupy as a principal residence the property for which an exemption is requested. A property owner(s) shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the township assessor.
2. File a claim with the board of review on a form prescribed by the state tax commission and provided by the township assessor 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. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year. If a person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in

the immediately preceding tax year, an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return. The filing of a claim under this subsection constitutes an appearance before the board of review for the purpose of preserving the claimant's right to appeal the decision of the board of review regarding the claim.

3. Produce a valid driver's license or other form of identification if requested by the supervisor or board of review.
4. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the supervisor or board of review.
5. Meet the income and asset guidelines provided in this policy.

#### I. FURTHER ELIGIBILITY

1. To be eligible for exemption under this policy, a property owner(s) shall meet the federal poverty income guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902. Each year the *Poverty Exemption Income Guidelines and Asset Test Policy* will be updated with the federal poverty income guidelines published in the prior calendar year and included in Attachment A to this policy. As local governing bodies are required to adopt guidelines that set income levels for their poverty exemptions and those income levels shall not be set lower than the federal poverty guidelines, East Bay Charter Township adopts poverty guidelines set \$3,000 higher for each household than the federal poverty guidelines.
2. To be eligible for exemption under this policy a person shall not own real and personal property with a fair market value greater than three times the township poverty income guideline. For purposes of determining the maximum asset level, the following property shall be exempt: (1) the principal residence of the property owner(s), (2) one motor vehicle regardless of use, (3) motor vehicles and other vehicles used exclusively for business purposes, and (4) the proceeds from the sale of the principal residence of the property owner(s) if the sale occurred in the previous 12 months.

V. The East Bay Charter Township Board of Review shall follow this policy when deciding whether to granting or denying an exemption under this policy. If a property owner(s) claiming an exemption under this policy is qualified under Paragraphs D and E of this policy, the board of review shall grant the exemption in whole or in part, as follows:

1. A full exemption equal to a 100% reduction in taxable value for the tax year in which the exemption is granted.
2. A partial exemption equal to 1 of the following:
  - a. A 50% or 25% reduction in taxable value for the tax year in which the exemption is granted.
  - b. As approved by the state tax commission, any other percentage reduction in taxable value for the tax year in which the exemption is granted, applied in a form and manner prescribed by the state tax commission.

## Poverty Exemption Income Guidelines

### Attachment A

#### Federal and Township Poverty Income Guidelines

PERSONS IN FAMILY/HOUSEHOLD	2022 FEDERAL POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES*	EAST BAY CHARTER TOWNSHIP POVERTY GUIDELINE
1	\$13,590	\$16,590
2	\$18,310	\$21,310
3	\$23,030	\$26,030
4	\$27,750	\$30,750
5	\$32,470	\$35,470
6	\$37,190	\$40,190
7	\$41,910	\$44,910
8	\$46,630	\$49,630
For families/households with more than 8 persons, add \$4,720 for each additional person.	East Bay Charter Township Poverty Guideline is \$3,000 more than the Federal Guideline as defined in the Township's Poverty Exemption Income Guidelines and Asset Test.	

\* The Federal Poverty Guidelines are updated periodically, typically in January of every year, in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2). This document, Attachment A of the *Poverty Exemption Income Guidelines and Asset Test Policy* will be updated annually. \*Updated 02/13/2023

# INSTRUCTIONS FOR APPLICANT REQUESTING CONSIDERATION FOR A POVERTY EXEMPTION

1. Applicant must obtain the proper application from the Assessing Department. Handicapped or infirm applicants must call the Assessing Department to make necessary arrangements for assistance. They can be reached at (231) 922-4759.
2. Applicants must be owners of the property and reside there.
  - A. Must produce driver's license or other acceptable methods of identification.
  - B. Must produce a deed, land contract or other evidence of ownership if Assessor requests it.
3. Applicant must fill out application form in its entirety and return it, in person, to this office, except as noted in item 1 above.
  - A. Must not sign it until returned.
  - B. Application must be witnessed by the Assessing Officer or Board of Review.
4. All applicants and persons residing within the household will submit last year's copies of the following:
  - A. Federal Income Tax Return – 1040 or 1040A.
  - B. State Income Tax Return – MI-1040.
  - C. Homestead Property Tax Claim – MI-1040CR (submitted only by property owner)
5. Applications must be filed with the Supervisor/Assessing Department or the Board of Review on or after January 1st but before the day prior to the last day of the Board of Review at which the application is to be reviewed.
6. Applications may be reviewed by the Board without applicant being present. However, the Board may request that an applicant be physically present to respond to any questions the Board or Assessor may have. This means that you may be called to appear on short notice.
7. You may have to answer questions regarding your financial affairs, your health, and the status of people living in your home before the Board of Review, at a meeting which is open to and may be attended by the public at large.
8. Applicants appearing before the Board of Review will be administered an oath, as follows:

“Do you \_\_\_\_\_ swear and affirm that evidence and testimony you will give in your own behalf before the Board of Review is the truth, the whole truth, and nothing but the truth, so help you.”
9. The Supervisor shall make a recommendation to the Board of Review regarding a decision in regards to the disposition of all individual poverty claims. However, it is the Board of Review which approves or denies the exemption request.
10. Applicants will be evaluated based on:
  - A. Data submitted to the Board of Review by petitioner.
  - B. Testimony taken from petitioner and information gathered from any source the Board of Review may wish to use.
11. The Board of Review will also consider all revenue and non-revenue producing assets owned by the petitioner in its deliberation as to whether relief should be granted.
12. The Board of Review can only grant property tax exemption based on poverty for the current year.
13. A successful applicant may be subject to investigation of documentation by the Township. This would be done to verify information submitted or statements made to the Assessor, Supervisor, or Board of Review in regard to their poverty tax exemption claim.
14. The Assessor may tape record and will keep minutes of all proceedings before the Board of Review and all meetings must be held in a municipal building.

PARCEL #: \_\_\_\_\_

## Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

**INSTRUCTIONS:** When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, \_\_\_\_\_, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Signature of Person Making Affidavit

\_\_\_\_\_  
Date



# POVERTY EXEMPTION APPLICATION

PARCEL #: \_\_\_\_\_

I, \_\_\_\_\_, Petitioner, being the owner and residing at the property that is listed below as my principal residence, apply for property tax relief under MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893. The principal residence of persons who, in the judgment of the Board of Review, by reason of poverty are unable to contribute toward the public charges is eligible for exemption in whole or in part from taxation per MCL 211.7u(1).

**In order to be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please print legibly and attach additional pages as necessary.**

**PERSONAL INFORMATION: Petitioner must list all required personal information.**

Property Address of Principal Residence:	Daytime Phone Number:	
Age of Petitioner:	Marital Status:	Age of Spouse:
Number of Legal Dependents:	Age of Dependents:	
Applied for Homestead Property Tax Credit (yes or no):	Amount of Homestead Property Tax Credit:	

**REAL ESTATE INFORMATION:** List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the BOR meeting.

Property Parcel Code Number:	Name of Mortgage Company:	
Unpaid Balance Owed on Principal Residence:	Monthly Payment:	Length of Time at This Residence:
Property Description:		

**ADDITIONAL PROPERTY INFORMATION:** List information related to any other property you, or any household member owns.

Do you own, or are buying, other property (yes or no)? If yes, complete the information below.		Amount of Income Earned from Other Property:	
Property Address	Name of Owner(s)	Assessed Value	Amount & Date of Last Taxes Paid
		\$	
		\$	
		\$	

PARCEL #: \_\_\_\_\_

**EMPLOYMENT INFORMATION:** List your current employment information.

Name of Employer:	Name of Contact Person:
Address of Employer:	Employer Phone Number:

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRA's (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income.

Source of Income	Monthly or Annual Income (indicate which)

**CHECKING, SAVINGS AND INVESTMENT INFORMATION:** List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments.

Name of Financial Institution or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment

**LIFE INSURANCE:** List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payment	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

**MOTOR VEHICLE INFORMATION:** All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

PARCEL #: \_\_\_\_\_

**LIST ALL PERSONS LIVING IN HOUSEHOLD:** All persons residing in the residence must be listed.

First & Last Name	Age	Relationship to Applicant	Place of Employment	Monthly Earnings	Monthly House Contributions

**PERSONAL DEBT:** All personal debt for all household members must be listed.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

**MONTHLY EXPENSE INFORMATION:** The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating:	Electric:	Water:
Phone:	Cable:	Food:
Clothing:	Health Insurance:	Garbage:
Daycare:	Car Expense (gas, repair, etc):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):
Other (list type):	Other (list type):	Other (list type):

PARCEL #: \_\_\_\_\_

**LIST OF ASSETS:** List all other assets owned or controlled by you and their value. For example: Boats, coin collections, art objects, antiques, silver, gold, etc.

Type of Asset	Owner of Asset (If Different from Applicant)	Value of Asset
		\$
		\$
		\$
		\$
		\$
		\$

If there is any further information that you would like to add, do so here:

PARCEL #: \_\_\_\_\_

**Notice:** Any willful misstatements or misrepresentations made on this form may constitute perjury, which, under the law, is a felony punishable by fine or imprisonment.

**Notice:** Per MCL 211.7u(2b), a copy of all household members federal income tax returns, state income tax returns (MI-1040) and Homestead Property Tax Credit claims (MI-1040CR 1, 2, 3 or 4) must be attached as proof of income. Documentation for all income sources including, but not limited to, credits, claims, Social Security income, child support, alimony income, and all other income sources must be provided at time of application.

**Petitioners: Do not sign this application until witnessed by the Assessor or a member of the Assessor's Office**

\* \* \* \* \*

STATE OF MICHIGAN )  
 ) SS.  
COUNTY OF GRAND TRAVERSE )

I, the undersigned Petitioner, hereby declare that the foregoing information is complete and true and that neither I, nor any household member residing within the principal residency, have money, income or property other than mentioned herein.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Petitioner's Signature

Subscribed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Assessing Department Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

This application shall be filed on or after January 1, but before the day prior to the last day of March, July or December Board of Review to the address below. Bring fully completed application and attachments to:

Assessing Department  
East Bay Charter Township  
1965 N. Three Mile Road  
Traverse City, MI 49696

PARCEL #: \_\_\_\_\_

**For Board of Review Only**

Disposition by Board of Review:

Date: \_\_\_\_\_

\_\_\_\_\_ Denied

\_\_\_\_\_ Reduced to: T/V \$ \_\_\_\_\_

A/V \$ \_\_\_\_\_

Board of Review Member's Signatures & Printed Name:

Assessor's Signature & Printed Name:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

# AUTHORIZATION TO RELEASE INFORMATION

Michigan Department of Human Services

Grantee Name				
Grantee Client ID				
Case Number				
County	District	Section	Unit	Specialist
Date				

COMPLETION: Required. PENALTY: Possible denial of poverty exemption application
Parcel Number:

To Whom It May Concern:

You are authorized to release the following information to the East Bay Charter Township Assessing Department

REQUESTED INFORMATION: Any & All Information pertaining to my case. Department of Human Services will be allowed to send to the East Bay Charter Township Assessing Department any documents pertaining to my case including any documents containing social security numbers.		
FOR THE PURPOSE OF: Verification of income, as I have applied for exemption from property taxes for the East Bay Charter Township.		
Signature of Client	Date	Client's Complete Address

## NOTE TO ADDRESSEE:

USE REVERSE SIDE AND ATTACH DOCUMENTS IF NECESSARY		
Your Signature	Title	Date