

MUSKEGON CHARTER TOWNSHIP

POLICY AND GUIDELINES FOR POVERTY EXEMPTIONS FROM TAXATION FOR THE YEAR OF 2026

Pursuant to Michigan Public Act 390 of 1994, the principal residence of a person who, in the judgment of the supervisor and board of review, by reason of poverty, is unable to contribute toward the public charges is eligible for exemption in whole or in part from the collection of taxes under the act. The Muskegon Charter Township Board has established the following listed items and requirements that shall be adhered to when granting poverty exemptions:

1. Public Act 390 of 1994, specifically MCL 211.7u, as amended.
2. Income tests as established by Muskegon Charter Township. Specific Income tests are attached/included in this document.
3. Asset tests for the entire household as determined by Muskegon Charter Township. Specific Asset Tests are attached/included in this document.
4. Specific additional tests established by Muskegon Charter Township. Specific Additional Tests are attached/included in this document.
5. Only Partial Poverty Exemptions up to a maximum exemption of 50% will be granted. No exemption greater than 50% will be authorized.
6. The application for a poverty exemption must be filed **annually** after January 1, but before the day prior to the last day of the December board of review.
7. Provide 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 of the current year. If a person was not required to file a federal or state income tax return, an affidavit may be accepted in place of the tax return.
8. The filing of a claim under MCL.211.7u(2)(b), constitutes an appearance before the board of review for the purpose of preserving the claimant's right to appeal the decision to the board of review.

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9. Appeal of Poverty Exemption denials by the **March** Board of Review may be appealed to the Michigan Tax Tribunal before July 31st of the year of the denial for that year of denial. A decision of the July or December Board of Review may be appealed within 35 days of the July or December Board of Review decision.
10. 25% exemption for applicants in the top 0% to 10% of income and asset tests range.
11. 50% exemption for applicants in the 11% - 89% of income and asset tests range.
12. Claimant must submit 3 months' worth of income and bank statements and expenses as listed on the application for all occupants.

SPECIFIC ADDITIONAL TESTS

(As adopted by the Muskegon Township Board)

Muskegon Charter Township Board hereby established the following tests that must be met in order for an applicant to qualify for a poverty exemption. These tests are in addition to the established income and asset test which also must be met.

1. You must be able to verify your occupancy.
2. You must own or be buying your home and you must have held a principal residence exemption on the property for the year of the requested poverty exemption.
3. You must produce a recorded deed or a recorded or notarized land contract.
4. You must furnish proof that your mortgage or land contract payments are current, if applicable.
5. You must furnish proof that your income falls within the allowed limits.

SPECIFIC INCOME AND ASSET TESTS

Muskegon Charter Township Board hereby establishes the following income and asset tests in order to qualify for a poverty exemption.

1. Your liquid assets (cash, savings and checking accounts, savings bonds, etc.) cannot be greater than \$5000.

2. Your material assets shall not exceed:
 - A. One (1) transportation type motor vehicle (car, truck ,motorcycle) for each income provider within the household.

1. Poverty Income Standards

<u>Number of persons residing in Homestead</u>	<u>Poverty Threshold</u>
1 person	\$15,650
2 persons	\$21,150
3 persons	\$26,650
4 persons	\$32,150
5 persons	\$37,650
6 persons	\$43,150
7 persons	\$48,650
8 persons	\$54,150
For each additional person add	\$5.500

Please return your completed application to Muskegon Charter Township Assessing Department. If you require assistance with the form, please call Juanita Velez Bunker at 231-777-2555 x1125.

ADOPTION BY THE MUSKEGON CHARTER TOWNSHIP BOARD OF TRUSTEES

The Muskegon Charter Township Board of Trustees did duly consider and adopt the so stated policies, tests and guidelines, subject to amendment as thresholds change, for the granting of any partial poverty exemption from taxation on the day of February 2026.

H:/Poverty/Poverty Exemption Guidelines

As Amended: January 6, 2012
As Amended: January 7, 2013
As Amended: January 6, 2014
As Amended: December 15, 2014
As Amended: January 18, 2016
As Amended: December 19, 2016
As Amended: January 16, 2018
As Amended: January 2, 2021
As Amended: January 17, 2023
As Amended:

Carrie Westbrook, Clerk
Muskegon Charter Township