

# Soo Township

## 2025 Poverty Guidelines Resolution

Resolution Number:2025-01

**WHEREAS**, the adoption of guidelines of poverty exemptions is within the purview of the Township Board; and

**WHEREAS**, the primary residence of persons who, in the judgement 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 Public Act 390 1994 (MCL 211.7u) as amended by PA 620 of 2002 and PA 253 of 2020; and

**WHEREAS**, pursuant to PA 390, 1994 as amended, Soo Township, Chippewa County adopts the following guidelines for the 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, file in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be owner of and occupy as a **principal** residence a property for which an exemption is requested.
- 2) File Form 5737 Application for MCL 211.7u Poverty Exemption.
- 3) File Form 5739 Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty.
- 4) For all persons residing in the primary residence provide federal and state income tax returns including any property tax credit returns filed in the immediately preceding year or in the current year, or file Form 4988 Poverty Exemption Affidavit for each person not required by law to file Federal and/or State income tax return(s).
- 5) Produce a valid driver's license or other form of identification, if requested.
- 6) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested, if requested.
- 7) Meet the income guidelines for all persons residing in the household as defined in the policy.
- 8) Meet the asset level test as defined in the policy.
- 9) The application for an exemption shall be filed after January 1, but before the day prior to the last day of the Board of Review.

Approved Poverty Guidelines for **2025**:

<b><u>Size of Family Unit</u></b>	<b><u>Township Income Guidelines</u></b>	<b><u>Federal Poverty Guidelines (2024)</u></b>
1	\$15,060	\$15,060
2	\$20,440	\$20,440
3	\$25,820	\$25,820
4	\$31,200	\$31,200
5	\$36,580	\$36,580
6	\$41,960	\$41,960
7	\$47,340	\$47,340
8	\$52,720	\$52,720
For each additional person	\$ 5,380	\$ 5,380

Approved Asset Test

1. Things of value that the applicant and persons in the household can own and are exempt from consideration in determining eligibility for a poverty exemption.
  - a. Applicant's principal residence
  - b. One motor vehicle per working adult
  - c. Essential household goods
  - d. Personal assets of any nature with a total value up to \$10 ,000.
2. Things of value that the Board of Review can consider in determining what percent exemption to grant:
  - a. Real estate other than the principal residence
  - b. Personal property
  - c. Motor vehicles in excess of one per working adult
  - d. Recreational vehicles and equipment
  - e. Certificate of deposits, savings accounts, checking accounts, stocks, bonds, insurance, and retirement funds, etc.
3. The Board of Review shall consider the value of the assets, or indebtedness otherwise owned by the applicant and all persons residing in the principal residence. Assets (except those exempt from consideration as listed above), shall not exceed \$10,000.

**WHEREAS**, pursuant to PA 253 of 2020, if a person claiming an exemption qualifies under the eligibility requirements, the board of review shall grant the exemption in whole or in part, as follows:

- (a) A full exemption equal to a 100% reduction in taxable value for the tax year in which the exemption is granted if only assets exempt from consideration are owned.
- (b) **A partial exemption equal to one of the following:**
  - (i) **A 75%, 50% or 25% reduction in taxable value for the tax year in which the exemption is granted – if non-exempt assets are owned, but the asset threshold is not exceeded.**
  - (ii) **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.**

**NOW, THEREFORE BE IT HEREBY RESOLVED**, that the Board of Review shall follow the above state policy and guidelines in granting or denying an exemption for the 2025 tax year.

**SOO TOWNSHIP RESOLUTION 2025-01**

Proposed to the Soo Township Board at the regular meeting held January 8, 2025.

MOTION MADE, duly supported, debate taken and a vote held:

Yeas: 5      Nays: 0      Absent: 0 \_\_\_\_\_

IT IS HEREBY RESOLVED THAT:

The Soo Township Poverty Exemption Policy is hereby passed.

Dated: Jan 8, 2025

Larry Perron, Supervisor

Dated: Jan 8, 2025

Allen Walther, Clerk