

RESOLUTION #2024-003
CITY OF MENOMINEE RESOLUTION FOR 2023 POVERTY EXEMPTION GUIDELINES

WHEREAS, the adoption of guidelines for poverty exemptions is required of the City of Menominee City Council; and

WHEREAS, the principal residence of persons, who the Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994, the City of Menominee City Council, Menominee 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, filed in the current or immediately preceding year. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. All other assets above that should be considered available; and

WHEREAS, the City shall follow the federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The following are the 2024 federal poverty income guidelines:

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

The annual allowable income includes income for all persons residing in the principal residence.

If an applicant is \$500 over the federal guidelines, then that applicant could qualify for a 75% exemption, \$1,000 over the federal guidelines, then that applicant could qualify for a 50% exemption and if the applicant is \$1,500 over the federal guidelines, then that applicant could qualify for a 25% exemption.

To be eligible, a person shall do all 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.
- 2) File an application with the assessor or Board of Review, accompanied by required supporting documents and 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 for verification purposes.
- 3) File a claim reporting that the combined assets of all persons within the household do not exceed the asset threshold of \$ 25,000. Assets include but are not limited to:
 - Ownership interest in a second home, land, vehicles
 - Recreational vehicles such as campers, motor-homes, boats and ATV's

- Buildings other than the residence
- Jewelry, antiques, artworks
- Equipment, other personal property of value
- Financial institution accounts over \$2,000
- Money received from the sale of property, such as, stocks, bonds, a house or car (unless a person is in the specific business of selling such property)
- Withdrawals of bank deposits and borrowed money
- Gifts, loans, lump-sum inheritances and one-time insurance payments
- Lottery and/or gambling winnings
- Federal and/or stimulus payments
- Food or housing received in lieu of wages
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches

4) Produce a valid driver's license or other form of identification if requested.

5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.

6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services.

7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

WHEREAS, Public Act 253 of 2020 amended MCL 211.7u, allows for partial poverty exemptions to be granted, the following exemption percentages shall be used by the Board of Review.

100% or 75% or 50% or 25%

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution offered by City Council Member _____ and supported by City Council Member _____.

Upon roll call vote, the following voted:

"Aye": _____ "Nay": _____

The City Clerk declared the resolution _____.

_____ Kathleen Brofka, City Clerk Date _____

City of Menominee

Asset Claim List

As required by MCL 211.7u, all guidelines for poverty exemptions as established by the governing body of the local assessing unit shall also include an asset level test.

Asset Claim	Yes or No	Value
Asset		
A. Provide a list of all assets that may be considered as income.		
B. A second home, land, vehicles		
C. Recreational vehicles such as campers, motorhomes, boats and ATV's		
D. Buildings other than the residence		
E. Jewelry, antiques, artworks		
F. Equipment, other personal property of value		
G. Bank accounts (over a specified amount), stocks		
H. Money received from the sale of property, such as, stocks, bonds, a house or car (unless a person is in the specific business of selling such property)		
I. Withdrawals of bank deposits and borrowed money		
J. Gifts, loans, lump-sum inheritances, and one-time insurance payments		
K. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms		
L. Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches		
M. Other		
N. Other		

APPLICANT'S CHECKLIST

The asset test adopted by the City of Menominee will require certain documents to be submitted that assist the Assessor and Board of Review in determining your qualification for exemption. The applicant must supply the following documentation for all persons residing in the principal residence:

- ☐ Federal Income Tax Returns (current & prior year) or Form 4988
- ☐ Michigan Tax Returns & M1040-CR (current & prior year) or Form 4988
- ☐ Social Security Benefit Statement (Form SSA 1099)
- ☐ Form 5737, Application for MCL 211.7u Poverty Exemption
- ☐ Form 5739, Affirmation of Ownership and Occupancy to Remain Exempt...
- ☐ Driver's License
- ☐ Deed, land contract, or other evidence of property ownership, if applicable
- ☐ Mortgage Statement
- ☐ Copy of all bank statements for the last 6 months
- ☐ Monthly statements for all income sources for last 6 months
- ☐ Copy of utility bills for the last 6 months
- ☐ Copy of most recent statement of any other financial assets

These documents are required and must be submitted if they apply to your financial situation. If any of the documentation does not apply, please initial that item and write a brief explanation on the reverse. The Board can deny any application deemed to be incomplete.

Section 118 of the General Property Tax Act state, "Any person who, under any of the proceedings required or permitted by this act shall willfully swear falsely, shall be guilty of perjury and subject to its penalties."