

Dexter Township Resolution # 20-560

A resolution to adopt poverty exemption income guidelines and asset test for the 2020 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 (2019) average SEV of Dexter Township residential properties with principal residence exemptions (\$237,680 for the 2020 tax year).
 - b. The equity in the applicant's Principal Residence is exempted from inclusion up to the previous year's (2019) average SEV of Dexter Township residential properties with principal residence exemptions (\$158,453 for the 2020 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 (\$101,200 for the 2019 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	2020 Federal Guidelines	Factor	2020 Dexter Township Guidelines 100% Relief	2020 Dexter Township Guidelines 0% Relief
1	\$12,490	1.45	\$18,111	\$22,638
2	\$16,910	1.40	\$23,674	\$29,593
3	\$21,330	1.35	\$28,796	\$35,994
4	\$25,750	1.30	\$33,475	\$41,844
5	\$30,170	1.25	\$37,713	\$47,141
6	\$35,490	1.20	\$41,508	\$51,885
7	\$39,010	1.15	\$44,862	\$56,077
8	\$43,430	1.10	\$47,773	\$59,716
Additional Person	\$4,420	1.05	\$4,641	\$5,801

Resolution offered by Board Member Mesko

Resolution seconded by Board Member Brushaber

Roll call vote:

Yeas – Rider, Ceo, Brushaber, Compton, Drolett, Gajewski, Mesko

Nays – 0

Abstain – None

Absent – 0

Tally Y = 7; N = 0; Abstain = 0; Absent = 0

The Supervisor declared the resolution adopted

CERTIFICATE

The undersigned, being the duly elected 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 21st day of January, 2020, and that the members voted thereon as hereinbefore set forth.


Debra A. Ceo, Clerk

Dexter Township Application for Property Tax Poverty Exemption

I. Property Identification

Property Address:			
Parcel Number(s):			
Property Owned By: <i>(as evidenced by the most recent transfer instrument)</i>			
Number of persons residing at this address:		Previous years Hardship Exemption Status (%):	

II. Petitioner Identification/ Contact Information

Print Name:			
Phone Numbers:			
Home:	Work:	Cell:	
Mailing Address, if different than property:			
Date of Birth:		Marital Status:	
Employment Status <i>(check one):</i> <input type="checkbox"/> Employed Full Time <input type="checkbox"/> Employed Part Time <input type="checkbox"/> Unemployed <input type="checkbox"/> Disabled <input type="checkbox"/> Retired <input type="checkbox"/> Laid Off <input type="checkbox"/> Other (explain):			
Usual Occupation:		Employer: <i>(Current or last)</i>	
If you checked <u>Unemployed</u>, <u>Disabled</u>, <u>Retired</u> or <u>Laid Off</u>, how long have you been in this status? Years: _____ Months: _____			
If you checked <u>Unemployed</u>, provide at least six (6) places you have applied for a job in the past year, including the name and number of a contact person.			
Place	Contact	Place	Contact
1.		4.	
2.		5.	
3.		6.	
If you checked <u>Disabled</u>, provide a letter from your doctor explaining your disability and that you are unable to work.			

III. Co-Owner and Occupants Identification/Information

Co-Owner or Occupant Name:	Check all that apply:			Age	Employment Status	Employer or School Attending
	Owner	Occupant	Dependent			
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						

Income documentation and copies of Income Tax Return documents must be supplied for all owners and occupants.

IV. Property Information

Year homestead purchased: *	Purchase price:
* For any real estate purchased <u>within the last five years</u> , the following closing information is required:	
<input type="checkbox"/> Copy of income verification supplied to purchase home <input type="checkbox"/> Lender's name, address and phone number <input type="checkbox"/> Last 30 days check stubs <input type="checkbox"/> Last two years income tax returns <input type="checkbox"/> Proof of employment or disability <input type="checkbox"/> Copy of HUD Settlement Statement form signed at closing <input type="checkbox"/> Copy of Principal & Interest payment form <input type="checkbox"/> Copy of Escrow form showing payment for insurance and taxes or Refusal of Escrow form <input type="checkbox"/> Copy of deed for home	
Is there a mortgage of land contract balance on the property? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, what is monthly payment? \$ _____ <input type="checkbox"/> Includes Taxes <input type="checkbox"/> Taxes are separate	
What is the remaining amount due on the mortgage or land contract? \$	
What year will the mortgage or land contract be paid off?	
Do you expect to sell the homestead for which you are seeking relief in the next year? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have improvements, additions, changes been made to this homestead in the past two years? If yes, explain:	

V. Household Asset Information

List all assets below for owner, co-owner (if any) and all occupants:					
Name:	Cash	Checking Account	Savings Account	Value-All Other Investments	Total Assets
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
Total Household Assets:					

Provide the following information for any other real estate holdings owned, in whole or in part:			
Location – City & State	Tax I.D. Number of Property	Market Value of Property	Amount of Equity
1.			
2.			
3.			
4.			

List all vehicle(s) that members of the homestead own/drive. Include leased vehicles.			
Driver or Owner	Year	Make	Model
1.			
2.			
3.			
4.			

VI. Household Income Information

List below all income, from any person or source whatsoever, including: employment, social security, pension, unemployment compensation, workers compensation, child support, alimony, disability, etc:

Name	Total 2019	Total 2020	Source of income or reason for no income
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
Grand Total Income:			

Do you anticipate any major changes in income for the coming year? If yes, explain below:

VII. Household Expenses Information

List below all monthly household expenses including house payments, car or car lease payments and utility payments (gas/electric/telephone/cable), medical payments, other

Payment to:	Monthly Amount	Payment to:	Monthly Amount
1.		2.	
3.		4.	
5.		6.	
7.		8.	
9.		10.	
11.		12.	
Grand Total Monthly Expenses:			

VIII. Medical or Other Extraordinary Situations

Use the space below to explain the nature of any special hardships.

Provide dollar amounts of any unusual expenses resulting from these special situations. This information can be used to support a grant of property tax relief even if specified income and asset levels do not qualify for a poverty exemption.

IX. Petitioner/Applicant Certification

I am (We are) unable to pay the full property taxes on the above described property and hereby make application for property tax relief in accordance with Section 2.11.7u of the Michigan Compiled Laws. I have read this application and fully understand the contents.

I (we) declare that the statements made are complete, true and correct to the best of my (our) knowledge.

I (we) further understand that if any information contained is found to be false or incomplete, any and all relief granted by this application will be forfeited and placed back on the assessment roll with penalties and interest occurring on the additional tax liability.

I (we) further understand that if this application is incomplete or I (we) fail to include all sources of income, this application will not be considered by the Board of Review and that I (we) conform to the attached income and asset guidelines.

Petitioner/Applicant Signature _____ Date _____

Co-Petitioner/Applicant Signature _____ Date _____

Witness Signature _____ Date _____