

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

## ZEELAND CHARTER TWP POVERTY EXEMPTION APPLICATION

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 township supervisor or city assessor 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 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 write 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
		\$	
		\$	

**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

**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	Amount of Monetary Contribution to Family Income

**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):

**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 Supervisor, Assessor, Board of Review or Notary Public.** (Must be signed by either the Supervisor, Assessor, Board of Review Member or Notary Public)

STATE OF MICHIGAN  
COUNTY OF \_\_\_\_\_

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.

\_\_\_\_\_  
Petitioner Signature

\_\_\_\_\_  
Date

Subscribed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 2011

Assessor Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

BOR Member Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Notary Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

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This application shall be filed after January 1, but before the day prior to the last day of March, July or December Board of Review to the address below.

Board of Review  
c/o Supervisor or Assessor  
Name of Local Unit  
Street Address  
City, State, ZIP

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**DECISIONS OF THE MARCH BOARD OF REVIEW MAY BE APPEALED IN WRITING TO THE MICHIGAN TAX TRIBUNAL BY JULY 31 OF THE CURRENT YEAR. JULY OR DECEMBER BOARD OF REVIEW DENIALS MAY BE APPEALED TO MICHIGAN TAX TRIBUNAL WITHIN 30 DAYS OF THE DENIAL. A COPY OF THE BOARD OF REVIEW DECISION MUST BE INCLUDED WITH THE FILING.**

Michigan Tax Tribunal  
PO Box 30232  
Lansing, MI 48909  
Phone: 517-373-3003  
Fax: 517-373-1633  
E-mail: [taxtrib@michigan.gov](mailto:taxtrib@michigan.gov)

## 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





GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

RACHAEL EUBANKS  
STATE TREASURER

**Bulletin 17 of 2020  
October 20, 2020  
Procedural Changes for 2021**

**TO:** Assessing Officers and County Equalization Directors

**FROM:** State Tax Commission

**SUBJECT:** Procedural Changes for the 2021 Assessment Year

The purpose of this Bulletin is to provide information on statutory changes, procedural changes and reminders for the 2021 assessment year.

**A. Inflation Rate Used in the 2021 Capped Value Formula**

The inflation rate, expressed as a multiplier, to be used in the 2021 Capped Value Formula is 1.014.

The 2021 Capped Value Formula is as follows:

**2021 CAPPED VALUE = (2020 Taxable Value – LOSSES) X 1.014 + ADDITIONS**

The formula above does not include 1.05 because the inflation rate multiplier of 1.014 is lower than 1.05.

**B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2021**

MCL 211.7u, which deals with poverty exemptions, was significantly altered by PA 390 of 1994 and was further amended by PA 620 of 2002.

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons **shall not** be set lower than \$21,720 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$21,720. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2021 assessments:

Size of Family Unit	Poverty Guidelines
1	\$12,760
2	\$17,240
3	\$21,720
4	\$26,200
5	\$30,680
6	\$35,160
7	\$39,640
8	\$44,120
For each additional person	\$4,480

**Note:** PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. 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. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available. Please see STC Bulletin 6 of 2017 for more information on poverty exemptions.

**Note:** PA 135 of 2012 changed the requirements for filing documentation in support of a poverty exemption to allow an affidavit (Treasury Form 4988) to be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year. This does include the owner of the property who is filing for the exemption.

## C. Sales Studies

Equalization study dates are as follows for 2021 equalization:

Two Year Study: April 1, two years prior through March 31, current year

Single Year Study: October 1, preceding year through September 30, current year

For 2020 studies for 2021 equalization the dates are as follows:

Two Year Study: April 1, 2018 through March 31, 2020

Single Year Study: October 1, 2019 through September 30, 2020

Note that the time period revisions apply to all equalization studies, that is: sales ratio studies, land value studies and economic condition factor studies for appraisals. Also note that the revised time period for two-year studies applies to all real property classifications.

Please be advised that the above sale study dates **are not** the same as the valuation date used in appeals before the Michigan Tax Tribunal. Evidence presented in a Tax Tribunal appeal should reflect the value of the property as of tax day (December 31). This means that sales occurring *after* March 31, 2020 and September 30, 2020 should still be considered and included when submitting evidence in a Tax Tribunal appeal involving the 2021 tax year.



## D. Property Classification

The State Tax Commission reminds assessors that classification is to be determined annually and is based upon the use of the property and not highest and best use of the property. The Commission is aware that some assessors are still classifying property according to highest and best use and/or are not classifying property on an annual basis. The Commission asks that all assessors take the necessary steps to ensure that all real and personal property is properly classified according to MCL 211.34c.

## E. Public Act 660 of 2018, Property Assessing Reform

Public Act 660 of 2018 was approved by Governor Snyder on December 28, 2018 and amended the General Property Tax Act to provide a statutory framework to ensure proper assessing in order to guarantee the highest quality assessments for taxpayers as well as local units. The Act defines the requirements for substantial compliance with the General Property Tax Act, provides timelines for audits and follow-up audits, and details a process for bringing a local unit into compliance if they remain non-compliant after a follow-up review.

The State Tax Commission will be continuously updating its website with information regarding PA 660 of 2018 including bulletins, guidance and any required forms. Information on Property Assessing Reform is available on the State Tax Commission's website at [www.michigan.gov/statetaxcommission](http://www.michigan.gov/statetaxcommission) under the Property Assessing Reform link.

The Commission has also established a dedicated email for submitting questions related to Property Assessing Reform. Any questions concerning Property Assessing Reform should be directed to [AssessingReformQuestions@michigan.gov](mailto:AssessingReformQuestions@michigan.gov).

### **Designated Assessor Submission and Approval Process**

PA 660 provides the process for determining who the Designated Assessors will be. Each County is required to enter into an interlocal agreement that designates the individual who will serve as the County's Designated Assessor. That interlocal agreement must be approved by the County Board and a majority of the assessing districts in the County. Once the interlocal agreement is approved, it is sent to the State Tax Commission for final approval. Form 5697 *State Tax Commission Petition for Approval of County Designated Assessor*, including a copy of the interlocal agreement, **must be submitted to the State Tax Commission by December 31, 2020**. A Checklist and Interlocal Agreement Template are available on the State Tax Commission's website under the Property Assessing Reform link.

If the State Tax Commission determines that an individual named as the Designated Assessor is capable of ensuring that the assessing districts within the county will achieve and maintain substantial compliance, the Commission shall approve that individual as the County's Designated Assessor. Once approved, the designation will not be revoked for at least five years from the approval date.

If the State Tax Commission is unable to approve the individual identified as the county's Designated Assessor because the Commission determines that the proposed Designated Assessor is not capable of ensuring that the assessing districts will achieve and maintain

substantial compliance, the county must submit a new Designated Assessor candidate and accompanying interlocal agreement within sixty days of the Commission's determination. The county will be required to repeat the process until a satisfactory Designated Assessor can be approved. The State Tax Commission will appoint an individual to serve as the county's temporary Designated Assessor during this period.

Further detail regarding the Designated Assessor can be found in Bulletin 8 of 2020.

### **Village Waiver**

Form 5689 *Application for State Tax Commission Approval of Village Assessment*. MCL 211.10d(7) provides that a village that is located in more than 1 assessing district may, in a form and manner prescribed by the state tax commission, request state tax commission approval that the assessment of property within the village be combined with the assessment of property in 1 of those assessing districts.

The completed Form, with the required resolution and all other attachments, must be submitted to the State Tax Commission, PO Box 30471, Lansing, Michigan 48909.

### **Consolidating Boards of Review**

PA 660 of 2018 allows Boards of Review across two or more contiguous local units to be combined. The governing bodies of each local unit may enter into an agreement to appoint a single board of review to serve as the board of review for each of the contiguous local units. PA 660 further states that the already existing requirements in MCL 211.28(1) – (5) should serve as a guide in determining the size, composition, and manner of appointment of a board of review. Those requirements are:

- At least 2/3 of the members must be property taxpayers of the township.
  - Members appointed to the board of review shall serve for terms of 2 years beginning at noon on January 1 of each odd-numbered year.
  - A member of the township board is not eligible to serve on the board or to fill any vacancy. A spouse, mother, father, sister, brother, son, or daughter, including an adopted child, of the assessor is not eligible to serve on the board or to fill any vacancy.
  - At least 2 members of a 3-member board of review shall be present to conduct any business or hearings of the board of review.
  - The township board may appoint 3, 6, or 9 electors of the township, who will constitute a board of review for the township. If 6 or 9 members are appointed as provided in this subsection, the membership of the board of review must be divided into board of review committees consisting of 3 members each.
  - A township board may appoint not more than 2 alternate members for the same term as regular members of the board of review.
- The size, composition, and manner of appointment of the board of review of a city may be prescribed by the charter of a city.

## **F. Tax Tribunal Small Claims Division Hearings**

Assessors should carefully read all notices, orders and other correspondence sent by the Tax Tribunal. Assessors should pay special attention to the Notice of Hearing and ensure they are available at the date and time of the scheduled hearing. It is important to appear at the hearing and to timely file with the Tax Tribunal and serve a copy to the taxpayer of all evidence and documentation you wish to be considered at the hearing.

Assessors representing their local unit in Tax Tribunal hearings need to submit evidence to support the value of the property under appeal. If the assessor is relying on the property record card as evidence of value, the property record card must be for the year(s) being appealed. The complete property record card, including all calculations should be provided; do not submit a property record card that states “calculations too long” and then fail to include the additional calculations. Also, it is important to submit the studies prepared that support the economic condition factor and land value on the record card. Assessors should also be able to explain at the Tax Tribunal hearing how the value shown on the property record card was calculated. More information regarding the Michigan Tax Tribunal, including Tribunal Rules, forms and instructions is available at [www.michigan.gov/taxtribunal](http://www.michigan.gov/taxtribunal).

Assessors are also reminded that any change in contact information, including a change in email address, must be submitted to the Tax Tribunal to ensure that all case notifications are received.

## **G. EMPP and ESA Reminders**

In Late September and early October, the ESA Section begins to send out Summary of Changes letters for all taxpayers that have certified their ESA Statement and paid ESA liability in full. Recognizing that manufacturers occasionally move personal property between facilities located in different jurisdictions, a copy of this letter is sent to every local unit in which a taxpayer has reported EMPP if a change on their ESA Statement has been made to *any* parcel located in *any* local unit. This is done to assist each assessor in identifying property that may have been moved in or out of their local unit. Assessors are advised that even if their local unit is not listed on the Summary of Changes letter, it may be prudent to note whether any changes made to a parcel reported in another local unit may affect a parcel located in their local unit.

At times, taxpayers attempt to add a parcel to their ESA Statement that was not previously reported to the Department of Treasury. In these cases, the ESA Section will reach out to the assessor to ask if a Combined Document (Form 5278) was filed for the parcel and, if it was, request a copy of the Form. ESA Staff will also ask for a letter confirming that the EMPP exemption was claimed properly and that the failure to transmit the information to the Department of Treasury was not the fault of the taxpayer. These letters are not used to incriminate an assessor who made a mistake, but rather to add to Treasury files to document why a parcel was added to an ESA Statement after the statement was generated in late April.

The ESA Section has received consent judgments entered by the Michigan Tax Tribunal for stipulated agreements between EMPP claimants and the local units in which they have personal property. It is extremely important that any stipulated agreement filed with the Michigan Tax Tribunal indicates that the personal property reported on the parcel meets the definition of “eligible manufacturing personal property,” identifies which eligible manufacturing personal



property qualifies for the exemption under MCL 211.9m and MCL 211.9n, and directs the Department of Treasury to generate an ESA statement so that the taxpayer may pay ESA on the exempt personal property. Assessors are advised to contact the ESA Section for a list of previous dockets that contained the appropriate requirements.

More information is available in the Assessors Guide to EMPP and ESA available online at [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions).

Further information and guidance on the Eligible Manufacturing Personal Property (EMPP) Exemption, Special Acts and the Essential Services Assessment (ESA) is available at [www.michigan.gov/ESA](http://www.michigan.gov/ESA). Additional questions should be sent via email to [ESAQuestions@michigan.gov](mailto:ESAQuestions@michigan.gov).

## **H. Omitted or Incorrectly Reported Property (MCL 211.154)**

Assessors are reminded that when submitting 154 petitions it is necessary to include complete copies of the property record cards for every year a change is being requested on the petition. For example, if a 154 petition requests a change for 2017 and 2018, the property record card for 2017 and the property record card for 2018 should be submitted. In addition, assessor must submit the calculations and documents needed to understand the reasons for the change and the amount of the requested change in the assessment and taxable values. Additionally, the 154 petition must contain an original signature. The Commission cannot accept electronic signatures or scanned signatures on petitions.

For 154 petitions involving removal of personal property, staff may request verification that the assessor inspected personal property location or otherwise confirmed that the personal property was disposed and was not located in the local unit on the applicable tax day. Additionally, staff may inquire as to the extent of the assessor's communication with the taxpayer in order to confirm that personal property was reported in the new location.

Questions can be directed to the staff at [Treas-154petitions@michigan.gov](mailto:Treas-154petitions@michigan.gov). Additional information, including Bulletin 2 of 2018 and copies of the approved forms, are available online at [www.michigan.gov/154petitions](http://www.michigan.gov/154petitions).

## **I. Disabled Veterans Exemption – Qualified Error**

On October 14, 2020, PA 206 of 2020 was signed into law. This Act amends MCL 211.53b regarding July and December Board of Review authority by adding as a qualified error an issue beyond the control of a disabled veteran or the unremarried surviving spouse that caused a denial of the disabled veterans exemption:

1. An error made by the local tax collecting unit in processing of a timely filed exemption affidavit; or
2. A delay in the determination by the United States Department of Veterans Affairs that a veteran is permanently and totally disabled as a result of military service and entitled to veterans' benefits at the 100% rate.

As a reminder, a correction by the July and December Board of Review for a qualified error can be made for the current year and the immediately prior year only.

## **J. Authority of July and December Boards of Review**

Assessors are reminded that the July and December Boards of Review may only act on matters described in MCL 211.53b. This includes: Qualified Errors, and appeals provided for in sections 7u (Poverty Exemption), 7cc (Principal Residence Exemption), 7ee (Qualified Agricultural Exemption), 7jj (Qualified Forest Exemption), and 9o (Small Business Taxpayer Exemption). Assessors should carefully review the Board of Review FAQ and Bulletins 5 of 2017 and 6 of 2018 to ensure their Boards of Review are acting within their statutory authorities. Assessors should not be requesting that the July or December Boards of Review take action outside of the limited authority provided in MCL 211.53b.





## Medicare Savings Program income and asset limits

Each state has different [eligibility requirements](#) for the [Medicare Savings Programs \(MSPs\)](#). For instance, while all states require that applicants meet monthly income limits, those limits may vary from state to state. It is important to know that many states require you to apply for any money you might be eligible for, including Social Security retirement benefits, in order to qualify for an MSP.

Some states also have asset limits for MSPs. [Assets](#) are resources such as savings and checking accounts, stocks, bonds, mutual funds, retirement accounts, and real estate. In all states, there are certain resources that will never be counted as assets. These include:

- Your primary house
- One car
- Household goods and wedding/ engagement rings
- Burial spaces
- Burial funds up to \$1,500 per person
- Life insurance with a cash value of less than \$1,500

Some states may exclude other types of assets as well.

For states with MSP asset limits, these limits must be at least as high as the asset limit for [Extra Help](#). [Extra Help](#) is the federal program that helps with [Part D prescription drug costs](#) if you meet the income and asset requirements. This change helps more people become eligible for MSPs and was a result of the Medicare Improvements for Patients and Providers Act (MIPPA).

In 2021, the asset limits for full Extra Help are \$9,360 for individuals and \$14,800 for couples. There is an automatic disregard (subtraction) of \$1,500 from these limits for burial funds. This means that you could be eligible for an MSP with assets totaling \$7,730 for individuals and \$11,600 for couples. MSP limits appear lower than Extra Help limits because they do not automatically include burial funds. This means that the \$1,500 disregard for MSP eligibility typically will not apply unless you prove that you have set aside these funds in a designated account or in a pre-paid burial fund.

Remember that some states have higher or no MSP asset limits\*. Call your local Medicaid office or [State Health Insurance Assistance Program \(SHIP\)](#) for more information about MSPs in your state.

\* Alabama, Arizona, Connecticut, Delaware, Mississippi, New York, Oregon, Vermont, and the District of Columbia do not have asset limits for MSPs (as of January 2019).