

LIMA TOWNSHIP
Guidelines to Determine Poverty Taxation Exemptions
2022 Assessment Year

RESOLUTION #2022-01

WHEREAS, the adoption of guidelines for poverty exemptions is within the purview of the township board; and

WHEREAS, the principal residence of persons who, in the judgment of the 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 of 1994 and Public Act 253 of 2020 (MCL 211.7u); and

WHEREAS, pursuant to PA 390 of 1994 and PA 253 of 2020, Lima Township, Washtenaw 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 immediately preceding year;

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

- 1) Be an owner of and occupy as a principle residence the property for which an exemption is requested.
- 2) File a claim with the 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. If an applicant or other person residing in the home is not required by law to file federal and/or state income tax forms, the attached affidavit must be completed and submitted with the application, (Form #4988).**
- 3) Applicant may not have ownership interest in any real estate other than the principal residence.
- 4) Produce a valid drivers' license or other form of identification if requested.
- 5) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 6) As required by PA 390 of 1994 AND PA 253 of 2020, all guidelines for poverty exemptions as established by the governing body of the local assessing unit SHALL also include an asset level test. The applicant's assets may not exceed \$50,000. The following assets shall not be considered when applying an asset test to determine qualification for tax exemption;
 - i. The value of the applicant's primary residence subject to the exemption.
 - ii. The value of all personal property, such as furniture and clothing.
- 7) Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget. **See Exhibit A**

8) The application for an exemption shall be filed after January 1, 2022 but before the day prior to the last day of board of review.

9) If a person claiming the poverty exemption meets all eligibility requirements, the board of review shall grant the poverty exemption, in whole or in part, as follows (See Exhibit A):

- For applicants at or below the 2022 Federal Poverty Guidelines, 100% relief shall be granted.
- For applicants between 100% and 125% of the 2022 Federal Poverty Guidelines, 50% relief shall be granted.
- For applicants between 125% and 150% of the 2022 Federal Poverty Guidelines, 25% relief shall be granted.
- For applicants above 150% of the 2022 Federal Poverty Guidelines, 0% relief shall be granted.

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 answer any questions the Board may have.

The following are the federal poverty income standards which the United States Office of Management and Budget recommends that federal departments and agencies use. The standards are actually compiled and published by the Bureau of the Census which refers to them as "poverty thresholds."

EXHIBIT A

FEDERAL POVERTY INCOME STANDARDS FOR 2022 ASSESSMENTS The following are the federal poverty income standards as of December 31, 2021 for use in setting poverty exemption guidelines for 2022 assessments.

Size of Family Unit Poverty Guidelines

Size of Family or Household	2022 Poverty Guidelines 100% Relief	2022 Poverty Guidelines 50% Relief Greater than 100% but equal to or less than 125% of Federal Guidelines	2022 Poverty Guidelines 25% Relief Greater than 125% but equal to or less than 150% of Federal Guidelines
1	\$12,880	\$16,100	\$19,320
2	\$ 17,420	\$21,775	\$26,130
3	\$ 21,960	\$27,450	\$32,940
4	\$ 26,500	\$33,125	\$39,780
5	\$ 31,040	\$38,800	\$46,560
6	\$ 35,580	\$44,475	\$53,370
7	\$ 40,120	\$50,150	\$60,180
8	\$ 44,660	\$55,825	\$66,990
For each additional person	\$4,540	\$5,675	\$6,810

NOW, THEREFORE, BE IT HEREBY RESOLVED that the board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption.
The foregoing resolution was offered by Board Member Bater and supported by Board Member Dale Luick.

Upon roll call vote, the following voted
"Aye:" DaLuick, Havens, DuLuick, Bater
"Nay:" None
Absent: McKenzie

The Supervisor declared the resolution adopted.

Elaine Bater
Elaine Bater, Township Clerk

I, Elaine Bater, the duly elected and acting Clerk of Lima Township, hereby certify that the foregoing resolution was adopted by the township board of said township at the regular meeting of said board held on January 10, 2022, at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.

Elaine Bater
Elaine Bater, Township Clerk