

**TOWNSHIP of HAMBURG
RESOLUTION ESTABLISHING PROCEDURES AND GUIDELINES
FOR EXEMPTION FOR TAXATION DUE TO POVERTY**

At a regular meeting of the Hamburg Township Board of Trustees, held at the Hamburg Township Hall located at 10405 Merrill Road, Hamburg Township, Livingston County, Michigan, on November 19, 2013 beginning at 7:00 p.m., there were:

PRESENT: Carlson, Dolan, Hahn, Hohl, Menzies, Negri, Neilson

ABSENT: None

Moved by Hohl, and supported by Hahn to adopt the following resolution:

RESOLUTION

WHEREAS, PA 390, 1994 (MCL 211.7u), further amended by PA 620 of 2002, hereafter referred to as the "Act" requires the township to adopt guidelines for partial or maximum exemption from taxation for homesteads, 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 toward the public charges, are eligible for exemption in whole in part from taxation under the Act, and

WHEREAS, pursuant to the Act, the township is desirous of establishing guidelines and procedures for partial or maximum property exemptions,

NOW, THEREFORE, BE IT RESOLVED, the following guidelines and procedures to qualify for relief under the Act are hereby adopted:

1. To be eligible a person shall do all of the following on an annual basis:
 - a) Be an owner of and occupy as a homestead the property for which an exemption is requested.
 - b) File a claim with the Supervisor or Board of Review on the form provided by the township accompanied by federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns (Michigan 1040CR form), filed in the immediately preceding year. In the event federal and/or state tax returns are not filed, the applicant and all persons residing in the homestead are required to sign a Michigan Department of Treasury Form 4988.

- c) Produce a valid driver's license or other form of identification if requested by the Supervisor or Board of Review.
 - d) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the Supervisor or Board of Review.
 - e) Meet the poverty income standards guidelines hereinafter set forth.
 - f) File an application for an exemption with the Supervisor or Board of Review after January 1st but at least one full business day prior to the final published session of the March Board of Review. For the July or December Board of Review, the application must be received five (5) working days prior to the Board of Review meeting. The July Board of Review is held the Tuesday following the third Monday in July and the December Board of Review is held on the Tuesday following the second Monday in December. All applications must be witnessed and notarized and include all required data documentation.
2. The applicant must appear in person or by an agent who is authorized to do so in writing in a witnessed and notarized statement by the property owner. The filing of the claim constitutes an appearance before the Board of Review for the purpose of preserving the claimant's right to appeal the decision of the Board of Review to the Tax Tribunal regarding the claim.
 3. In the event a household member over 18 years of age is earning income but not contributing to your support or household income, a written explanation as to why is required.
 4. The cumulative total of an applicant's assets shall be limited to \$10,000 per each "allowable exemption." Each verified member of the family unit counts as one "allowable exemption." An additional 1/2 "allowable exemption" may be granted for the following:
 1. Applicant is 65 years or older
 2. Spouse of applicant is 65 years or older
 3. Applicant is a paraplegic or quadriplegicassets will include but are not limited to the following: Real estate holdings other than the homestead, in excess of one car per household, pleasure boats, motor homes, bank accounts.
 5. Total household income levels may not be set lower than poverty levels established by the U.S. Department of Housing and Urban Development. The poverty level and income allowed by Hamburg Township are as follows:

Number of Residents	Income Level Allowed by Township
1	\$11,490
2	\$15,510
3	\$19,530
4	\$23,550
5	\$27,570
6	\$31,590
7	\$35,610
8	\$39,630
For each additional person, add	\$ 4,020

Each year thereafter the levels will be adjusted automatically to reflect the federal guidelines.

6. A hardship is not eligible for an exemption when property taxes do not exceed the combined sum of three point five percent (3.5%) of the adjusted income and Homestead Property Tax Credit.
7. The value of the home may be considered in determining hardship.
8. A hardship exemption is not qualified when the hardship is created because the applicant is a full or part-time student.

NOW, THEREFORE, BE IT HEREBY FURTHER RESOLVED that the board of review shall follow the above stated policy and guidelines in granting or denying any exemption.

A roll call vote on the foregoing resolution was taken and was as follows:

AYES: Carlson, Dolan, Hahn, Hohl, Menzies, Negri, Neilson

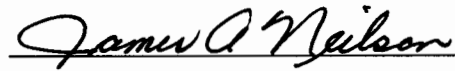
NAYS: None

ABSENT: None

The resolution was declared adopted.

CERTIFICATION

I, James A. Neilson, being the duly elected Clerk of the Township of Hamburg, Livingston County, Michigan, hereby certify that (1) the foregoing is a true and complete copy of a resolution duly adopted by the Township Board, and the vote taken thereon, at the meeting described in the introductory paragraph, at which time a quorum was present and remained throughout; (2) the original of such resolution is on file in the Clerk's office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (4) minutes of such meeting were kept and have been or will be made available as required thereby.



James A. Neilson
Township Clerk
Hamburg Township
10405 Merrill Road
Hamburg, Michigan

Dated: November 19, 2013

TOWNSHIP OF HAMBURG
LIVINGSTON COUNTY

POVERTY EXEMPTION POLICY/ PROCEDURES
SECTION 211.7U MCL

Pursuant to Section 211.7u MCL the Supervisor and or the Board of Review of the Township of Hamburg, Livingston County established the following procedures and criteria for the uniform application and determination of poverty exemptions:

- 1) Any property owner/taxpayer may apply for a poverty exemption allowed under Section 211.7u MCL. Application may be by:
 - a) Formal application to the Assessing Department **or**
 - b) Formal petition to the Board of Review during the March, July, **or** December session.
- 2) The burden of proof of poverty rests with the applicant. Said applicant may supply one of the following with application as evidence of proof:
 - a) Completed, notarized application for exemption **and**
 - b) Prior year Michigan 1040 Income Tax return with MI-1040 CR **and**
 - c) Prior year Federal 1040 Income Tax return with schedules.
- 3) The final determination of the poverty exemption shall be based upon two (3) factors:
 - a) Adjusted income of the applicant and
 - b) Size of the family unit.
 - c) Assets test
- 4) The applicant's reported income shall be reviewed by the assessing officer and the Board of Review and adjustments may be made in the following manner:
 - a) Gross income from employment shall be adjusted with a factor of .72. This allows 28% of the employment income to meet any federal or state withholdings.
 - b) If the applicant is 65 years or older all other gross income shall be adjusted with a factor of .85. This allows 15% to meet typical medical needs.
 - c) A 100% allowance/adjustment for medical insurance premiums paid by the applicant as reported on the MI-1040 CR.
 - d) The assessing officer and/or board of review may also make an adjustment to the applicant's gross income for atypical expenses, i.e. excessive medical expenses.

- 5) Determination of the size of the family unit shall be reflective of Michigan income tax procedures.
 - a) Each applicant shall be entitled to one "allowable exemption" for each verified member of the family unit.
 - b) An additional 1/2 "allowable exemption" may be granted for the following:
 - 1) Applicant is 65 years of age or older.
 - 2) Spouse of applicant is 65 years of age or older.
 - 3) Applicant is a paraplegic or quadriplegic.
- 6) The adjusted income level for each family unit shall be set by the assessing officer and the board of review. The assessing officer and board of review may use any federal or state standards for "poverty" to assist them in this determination.
- 7) The granting of a poverty exemption may be "partial" or in total, but shall require concurrence of opinion of the assessing officer and the board of review.
- 8) If the Exemption is partial the "net" property tax liability shall not exceed 3.5% of the total gross income for those individuals of an age 65 or greater.

INCOME INFORMATION

Please list all sources of your personal income. Please indicate the amount from each source on an annual basis.

Wages, salaries, tips, sick, strike and sub-pay, etc.	\$ _____
All interest and dividend income (including non taxable interest)	\$ _____
Net rent, business or royalty income	\$ _____
Retirement pension and annuity benefits Name of payer _____	\$ _____
Net farm income	\$ _____
Capital gains less capital losses	\$ _____
Alimony and other taxable income	\$ _____
Social security, SSI or railroad retirement benefits	\$ _____
Child support	\$ _____
Unemployment compensation and TRA benefits	\$ _____
Worker's compensation, veteran's disability compensation	\$ _____
ADC and GA benefits	\$ _____
All other public assistance payments	\$ _____
Describe _____ _____	
Other non-taxable income	\$ _____
Total income	\$ _____

What was total income from all sources of everyone living in your household for the past two years?
Last year _____ Prior year _____

Do you anticipate any major changes in income for the coming year?

PROPERTY INFORMATION

A. Purchase date _____ Amount paid _____

B. Mortgage/ land contract balance _____

C. Monthly payment _____

Does this payment include taxes? Yes _____ No _____

D. Number of years remaining on mortgage/land contract _____

E. Are your property taxes paid? Yes _____ No _____

F. Did you apply for a poverty exemption last year? Yes _____ No _____

G. Do you have ownership interest in any other real estate in Michigan or anywhere else? Yes _____ No _____

If yes, please list:

Location: _____ Tax ID No. _____

SEV _____ Purchase price _____

Purchase date _____

H. Are you or your spouse the sole owners of the subject property \$ Yes _____ No _____

J. Have any improvements, changes or additions been made to the property in the last two (2) years? Yes _____ No _____

Explain _____

K. Do you anticipate selling the homestead property for which relief is sought in the next year? Yes _____ No _____

Explain _____

L. Does anyone contribute to your support? Yes _____ No _____

Explain _____

M. Is anyone able to contribute to your support? Yes _____ No _____

ASSET INFORMATION

What are your current assets in addition to the real estate noted previously?

Cash	\$ _____
Savings Accounts/Certificates & Money Markets	\$ _____
Checking Accounts	\$ _____
Stocks/Bonds/Treasury Bills	\$ _____
Insurance	\$ _____
Other	\$ _____
Investments	\$ _____
IRA, Keogh Annuities, Deferred Compensation	\$ _____
Personal Property held as an investment (gems, jewelry, coin collection, antique cars, etc.)	\$ _____

Vehicles, Cars, Trucks, Boats, Trailers, etc.

Make	#1	#2	#3
Model			
Year			
Value			
Balance owed			

LOAN DEBT

Do you have other loans or land contracts outstanding? (Attach additional sheet if necessary)

To Whom		To Whom	
Address		Address	
Monthly payment		Monthly payment	
Current Balance		Current Balance	

RESIDENT STATUS

Please list all people currently living in your household other than yourself and spouse.

	1	2	3
Name			
Age			
Relationship			
Occupation			
Annual income			
Claimed as dependents?	() Yes () No	() Yes () No	() Yes () No

I/We, am/are unable to pay the full property taxes on the above described property and hereby make application for property tax relief and hereby make application for property tax relief due to poverty in accordance with Section 211.7u Michigan Compiled Laws. I/We have read this application and fully understand the contents thereof. I/We declare that the statements made herein are complete, true, and correct to the best of my/our knowledge. I/We further understand that if any information contained herein 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 in accordance with Section 211.119 Michigan Compiled Laws.

PETITIONER'S SIGNATURE: _____

SPOUSE'S SIGNATURE: _____

Subscribed and sworn to before me this _____ day of

_____, 2014.

Notary Public

Livingston County, Michigan

My Commission Expires: _____

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