

City of the Village of Clarkston

Adopted Policy Relative to The Review and Granting of Poverty Exemptions by the City of the Village of Clarkston Board of Review

WHEREAS, Public Act 253 of 2020, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being sections 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit determine and make available to the public the policy and guidelines used by the Board of Review in granting reductions in property assessments due to limited income and assets, referred to as "Poverty Exemptions."

NOW THEREFORE, BE IT RESOLVED that in order to be eligible for poverty exemption in the City of the Village of Clarkston, a person shall do all of 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. The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption currently in effect.
3. Submit a completed Poverty Exemption Application Form 5737, which can be obtained from the city office or Oakland County Equalization.
4. Submit the most recent year's copies of the following for all persons residing in the homestead:
 - a. Federal Income Tax Return-1040, 1040A or 1040E
 - b. Michigan Income Tax Return-MI1040, MI1040A or MI1040EZ.
 - c. Senior Citizens Homestead Property Tax Form MI-1040CR-1 or General Homestead Property Tax Claim MI-1040CR-4.
 - d. Statement from Social Security Administration and/or Michigan Social Services as to moneys paid to you during previous year (including a signed Form 4988).
 - e. Produce a valid driver's license or Michigan State Identification card for all persons residing in the household.
 - f. Produce a deed, land contract or other evidence of ownership of the property if the board requests it.

BE IT FURTHER RESOLVED that the applicant's total household income cannot exceed the most current Federal Poverty Guidelines from the prior tax year set

forth by the U.S. Department of Health and Human Services as established by the State Tax Commission-to be updated annually.

BE IT FURTHER RESOLVED that the total value of the assets of the applicant and each member of the applicant's household shall not exceed \$50,000. Excluding the property for which the exemption is requested and the principal vehicle BUT including all other property; including from all other persons residing in the household. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, certificates of deposit, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreation vehicles, second homes, cottages or any other saleable real property or other tangible items.

BE IT FURTHER RESOLVED that a hardship exemption shall not be granted to an applicant with cash on deposit in excess of the proposed tax obligation for the ensuing year unless the applicant can show evidence that the cash is subject to a legitimate cost of living expense.

BE IT FURTHER RESOLVED that for applicants meeting the income level and asset test guidelines, the Board may approve a partial or full exemption if deemed appropriate. Those applicants granted partial or full exemption will be required to pay a property tax based on a twenty-five (25%), fifty (50%) or one hundred percent (100%) reduction in taxable value for the tax year in which the exemption is granted.

BE IT FURTHER RESOLVED that a hardship exemption shall not be granted to an applicant whose investments will produce an income, which when added to the applicant's household income exceeds the federal poverty guidelines.

BE IT FURTHER RESOLVED a hardship exemption shall not be granted to any applicant who owns real property whether singly or jointly, regardless of location, other than his or her homestead.

BE IT FURTHER RESOLVED that any reduction in the State Equalized Value of a property is granted for one year only and must be applied for and reviewed annually.

BE IT FURTHER RESOLVED that the application for an exemption shall be filed after January 1, but one day prior to the last day of the Board of Review.

BE IT FURTHER RESOLVED that the filing of this application constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

BE IT FURTHER RESOLVED that a person filing a poverty exemption claim is not prohibited from also appealing the assessment on the property for which that claim is made before the March Board of Review in the same year.

BE IT FURTHER RESOLVED that in order to ease the burden on taxpayers, the assessor and the Board of Review, and to ensure that all taxpayers have an equal opportunity to be heard by the Board of Review, the City of the Village of Clarkston hereby resolves, according to provisions of MCL 211.30(8) of the General Property Tax Act, that the Board of Review shall receive letters of protest regarding assessments from resident taxpayers from the first Tuesday in March until it adjourns from the public hearings for which it meets to hear such protests. All notices of assessment change and all advertisements of Board of Review meetings are to include a statement that the resident taxpayers may protest by letter to the Board.

BE IT FURTHER RESOLVED that to conform with the provisions, PA 253 of 2020, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

**VOTE: Motion by Wylie Second by Avery. Haven, Avery, Bonser, Casey, Kneisc, Luginski, Wylie - Yes
RESOLUTION DECLARED ADOPTED.**


Clerk