

Poverty Exemption Resolution Cont'd:

- 8) The guidelines apply to individuals and not to corporations, partnerships, associations or trusts. In the event that a partnership, association, or co-owners apply, the guidelines apply to the total assets of all individuals involved.
- 9) The guidelines apply to both an owner of a life estate and all remainder interests together.
- 10) A number of factors will be weighed in order to determine whether an applicant qualifies for an exemption. Factors analyzed will include the following:
 - A. Income levels
 - B. Total value of liquid assets
 - C. Total non-homestead real property
 - D. Total acreage owned, could include the minimum zoning footprint for the home
 - E. Non-essential personal property
 - F. Total value of all assets
 - G. Gifts made within 10 years
 - H. Employability
 - I. Retirement account value, IRA, 401K, etc.
 - J. Other factors suggesting an individual's worth, including but not limited to life insurance, businesses, lawsuits, judgments due, etc.
- 11) Total liquid assets must not exceed the value of \$10,000. Assets beneath \$10,000 shall be considered together with other factors in order to determine eligibility. Liquid assets shall be considered cash, unrestricted deposits and accounts, securities, bonds, promissory notes, stocks, and other similar type of assets.
- 12) Total non-homestead and non-qualified agricultural real property shall not exceed the value of \$10,000.
- 13) The non-essential personal property shall not exceed \$5,000. Non-essential personal property includes but is not limited to horses, snowmobiles, boats, motorcycles, jet skis, all-terrain vehicles. The purpose of this factor is to exclude from poverty consideration those individuals who have purchased recreational, hobby or sporting property which is not related to essential needs.
- 14) Total net assets must not exceed \$50,000. Total net assets below \$50,000 shall be considered together with other factors in order to determine eligibility. The following are the poverty thresholds as of Dec. 31, 2021 for use in setting poverty exemption guidelines for 2022 assessments:

Size of Family Unit	Annual Household Income
1	\$13,590
2	\$18,310
3	\$23,030
4	\$27,750
5	\$32,470
6	\$37,190
7	\$41,910
8	\$46,630
For each additional person, add	\$4,720

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- 15) The guidelines include employability of the individual applicants as well as other adults living in the residence. Factors here include but are not limited to attempts to find employment; physical, mental and experiential abilities, voluntary loss of employment or employment opportunities, etc.
- 16) The guidelines shall include an analysis of all gifts given by the applicants within ten (10) years. An applicant cannot divest him or herself of assets and then claim poverty. No fixed amount is set as a factor as each applicant must be handled on a case by case basis.
- 17) It is possible for an applicant to qualify under each separate factor but not qualify when all factors are considered together. The following are examples of how a combination of factors may disqualify a person:
 - A. An applicant has a total asset value of \$40,000 but gave away \$20,000 within the last ten years.
 - B. An applicant qualifies under income or asset factors but recently spent \$10,000 for a life insurance policy with his or her children as beneficiaries.
 - C. The applicant qualifies under the asset or income levels but voluntarily quit from a well-paying job.In addition to weighing the individual factors, the Board of Review shall evaluate all of the factors together in order to determine if the applicant is in a poverty condition.
- 18) Any tax exemption given to an individual under these guidelines shall be for the one (1) year's taxes. A new application will be required for the next year.

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, unless the board of review determines that there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and those are communicated in writing to the claimant.

The foregoing resolution offered by Board Member _____ and supported by Board Member _____
. Upon Roll Call vote, the following voted:

Aye:

Nay:

Absent:

The supervisor declared the resolution adopted.

Township Clerk

CERTIFICATION

I, the undersigned and duly qualified and acting clerk of the Selma Township, Wexford County, Michigan (the "Township") do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board at a regular meeting held on March 8, 2022, the original of which is on file in my office and that public notice of said meeting was given pursuant to and in compliance with Act 267 of the Public Acts of Michigan of 1976, as amended.

IN WITNESS THEREOF, I have affixed by official signature this 8th day of March, 2022.

Township Clerk

SELMA TOWNSHIP