

City of Cheboygan

Council Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test

WHEREAS, the principal residence of persons who, in the judgment of the mayor and city council, acting as 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 the General Property Tax Act 390 of 1994 (MCL 211.7u);, and

WHEREAS, the City Council is required by Section 7u of the General Property Tax Act, Public Act 390 of 1994 (MCL 211.7u), to adopt guidelines for poverty exemptions;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to PA 390 of 1994, that City of Cheboygan, Cheboygan County, adopts the following guidelines for the Assessor and 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 current or 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 principal residence the property for which an exemption is requested.
- 2) File a claim with the Assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year of a signed State Tax Commission Form 4988, Poverty Exemption Affidavit.
- 3) File a claim reporting that the combined assets of all person do not exceed the current guidelines. Exempt assets include principal residence and one (1) motor vehicle. Assets include but are not limited to real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc. Maximum assets shall not exceed \$5,000.
- 4) Produce a valid drivers' license or other form of identification if requested.
- 5) Produce, if requested a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services.
- 7) The application for an exemption shall be filed after January 1, but one day prior to the last

day of the December Board of Review. The filing of this claim constitutes an appearance before the City of Cheboygan Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

BE IT ALSO RESOLVED that the Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution offered by Council Member

Upon roll call vote, the following vote

"Aye:" Mayor Tebo, Mayor Pro Tem Mallory, Councilman Hocquard, Councilwoman Mills, Councilwoman Darling, Councilman Kwiatkowski, Councilwoman Raab

"Nay:" None

The mayor declared the resolution adopted.

I, Alyssa Singles, the Clerk of the City of Cheboygan, hereby certify that the foregoing resolution was adopted by the City Council of the City of Cheboygan at the regular meeting of said council held on January 25, 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.


Clerk