

2025

Poverty Exemption

Please read the following
Information completely before
Filling out the information
Required.

**ALL FORMS MUST BE COMPLETELY
FILLED OUT AND ALL REQUIRED
CRITERIA MUST ACCOMPANY
THE APPLICATION.**

**FOREST TOWNSHIP POLICY # 2025-01
POVERTY EXEMPTION POLICY**

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

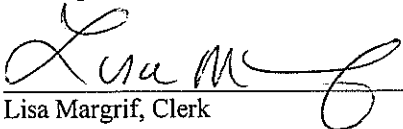
WHEREAS, the homestead of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under Public Act 390, 1994 (MCL 211.7u); and

WHEREAS, pursuant to PA 390, 1994 FOREST TOWNSHIP, Genesee County adopts the following guidelines for the supervisor and board of review to implement. The guidelines should include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household. To be eligible, a person shall do all the following on an annual basis.

1. Be an owner of and occupy as a homestead the property for which an exemption is requested.
2. File an application with the supervisor or board of review, accompanied by federal and state income tax returns for all persons residing in the homestead.
3. Produce a valid driver's license or other form of identification, if requested.
4. Produce evidence of ownership of the property for which an exemption is requested.
5. Meet the Federal poverty income standards as defined in the Forest Township Poverty Exemption application.
6. The application for an exemption shall be filed after January 1, in the year which the property owner is asking for tax relief. The application must be turned in before the last day of the board of review. (Second Tuesday in December)
7. Have assets not to exceed 15% of the applicable income level not considering their home and one vehicle.

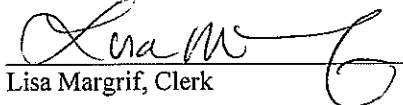
NOW THEREFORE, BE HEREBY RESOLVED that the board of review shall follow the above stated policy granting or denying an exemption, unless the board of review determines there are substantial and compelling reasons why there should be a deviation from the policy, and they are communicated in writing to the claimant.

The foregoing resolution is offered by Board Member MaryAnn Price and supported by Linda Smoke.
A roll call vote was taken: Margrif: Yes. Smoke: Yes. Price: Yes. Mills: Yes. Martin: yes. All voted yes.
The Supervisor declared the resolution was adopted.



Lisa Margrif, Clerk

I, Lisa Margrif, the duly elected Clerk of Forest 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 9, 2025, 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.



Lisa Margrif, Clerk



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

**Bulletin 17 of 2024
November 19, 2024
Procedural Changes for 2025**

TO: Assessing Officers and County Equalization Directors
FROM: Michigan State Tax Commission
SUBJECT: Procedural Changes for the 2025 Assessment Year

The purpose of this Bulletin is to provide information on statutory changes, procedural changes and reminders for the 2025 assessment year. Additional guidance may be issued later if any pending legislation is enacted by the end of the year.

A. Inflation Rate Used in the 2025 Capped Value Formula

The inflation rate, expressed as a multiplier; to be used in the 2025 Capped Value Formula is 1.031.

The 2025 Capped Value Formula is as follows:

$$2025 \text{ CAPPED VALUE} = (2024 \text{ Taxable Value} - \text{LOSSES}) \times 1.031 + \text{ADDITIONS}$$

The formula above does not include 1.05 because the inflation rate multiplier of 1.031 is lower than 1.05.

B. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2025

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than \$25,820 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$25,820. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2025 assessments:

Size of Family Unit	Poverty Guidelines
1	\$15,060
2	\$20,440
3	\$25,820

Size of Family Unit	Poverty Guidelines
4	\$31,200
5	\$36,580
6	\$41,960
7	\$47,340
8	\$52,720
For each additional person	\$5,380

Note: MCL 211.7u states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available. Please see STC Bulletin 22 of 2023 for more information on poverty exemptions.

Note: MCL 211.7u allows an affidavit (Treasury Form 4988) to be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year. This includes the owner of the property who is filing for the exemption.

C. Sales Studies

Equalization study dates are as follows for 2025 equalization:

- Two Year Study: April 1, two years prior through March 31, current year
- Single Year Study: October 1, preceding year through September 30, current year

For 2024 studies for 2025 equalization the dates are as follows:

- Two Year Study: April 1, 2022 through March 31, 2024
- Single Year Study: October 1, 2023 through September 30, 2024

Note that the time period revisions apply to all equalization studies, that is: sales ratio studies, land value studies and economic condition factor studies for appraisals. Also note that the revised time period for two-year studies applies to all real property classifications.

D. Property Classification

The State Tax Commission reminds assessors that classification is to be determined annually and is based upon the current use of the property **and not** highest and best use of the property. The Commission is aware that some assessors are still classifying property according to highest and best use and/or are not classifying property on an annual basis. The Commission asks that all assessors take the necessary steps to ensure that all real and personal property is properly classified according to MCL 211.34c.

INFORMATION ON PARTIAL EXEMPTIONS

Forest Township also allows for a partial exemption depending on the poverty level. Listed below are the Federal Poverty Guidelines. If your income is 1% higher than the poverty level, you could qualify for a 75% reduction. If your income is 2% higher than the poverty level you could qualify for a 50% reduction and if your income is 3% higher than the poverty level you could qualify for a 25% reduction,

FEDERAL POVERTY GUIDELINES FOR 2025

Size of family unit	Poverty Guidelines	1%	2%	3%
1	\$15,060	\$15,210	\$15,361	\$15,511
2	\$20,440	\$20,644	\$20,848	\$21,053
3	\$25,820	\$26,078	\$26,336	\$26,594
4	\$31,200	\$31,512	\$31,824	\$32,136
5	\$36,580	\$36,945	\$37,311	\$37,677
6	\$41,960	\$42,379	\$42,799	\$43,218
7	\$45,420	\$45,874	\$46,328	\$46,782
8	\$52,720	\$53,247	\$53,744	\$54,301
For each additional person		\$5,380	\$5,380	\$5,380

INCOME MUST BE PROVIDED FOR EVERYONE LIVING IN THE HOUSE.

Application for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township the property is located in each year on or after January 1.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.				
Petitioner's Name			Daytime Phone Number	
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents	
Property Address of Principal Residence		City	State	ZIP Code
<input type="checkbox"/> Check if applied for Homestead Property Tax Credit		Amount of Homestead Property Tax Credit		
PART 2: REAL ESTATE INFORMATION				
List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.				
Property Parcel Code Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
PART 3: ADDITIONAL PROPERTY INFORMATION				
List information related to any other property owned by you or any member residing in the household.				
<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property	
1	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid
2	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid

PART 4: EMPLOYMENT INFORMATION — List your current employment information.					
Name of Employer					
Address of Employer		City	State	ZIP Code	
Contact Person		Employer Telephone Number			
PART 5: INCOME SOURCES					
List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.					
Source of Income			Monthly or Annual Income (Indicate which)		
PART 6: CHECKING, SAVINGS AND INVESTMENT INFORMATION					
List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.					
Name of Financial Institution or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment	
PART 7: LIFE INSURANCE — List all policies held by all household members.					
Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured
PART 8: MOTOR VEHICLE INFORMATION					
All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.					
Make	Year	Monthly Payment	Balance Owed		

PART 9: HOUSEHOLD OCCUPANTS — List all persons living in the household.				
First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 10: PERSONAL DEBT — List all personal debt for all household members.					
Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 11: MONTHLY EXPENSE INFORMATION			
The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.			
Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare	Car Expense (gas, repair, etc.)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

NOTICE: Per MCL 211.7u(2)(b), 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 must be submitted with this application. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year.

PART 11: POLICY AND GUIDELINES ACKNOWLEDGMENT		
<p>The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.</p>		
<p><input type="checkbox"/> The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.</p>		
PART 12: CERTIFICATION		
<p>I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.</p>		
Printed Name	Signature	Date

This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 35 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
 PO Box 30232
 Lansing MI 48909

Phone: 517-335-9760
 E-mail: taxtrib@michigan.gov

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