

**CITY OF THE VILLAGE OF DOUGLAS
ALLEGAN COUNTY
STATE OF MICHIGAN**

RESOLUTION NO. 07-2021

**A Resolution to Adopt Poverty Exemption Income
Guidelines and Asset Test**

At a regular meeting of City of the Village of Douglas, County of Allegan, Michigan, duly called and held at City Hall on Monday, February 15, 2021, at 7:00 p.m. there were:

PRESENT: Donovan, Miller, Mooradian, North, Seabert, Van Loon, Lion

ABSENT: None

The following resolution was offered by Council Member Mooradian and seconded by Council Member North.

RESOLUTION

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of 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; and

WHEREAS, a City Council is required by MCL 211.7u to adopt guidelines for the poverty exemption;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that the City of the Village of Douglas, Allegan County, adopts the following guidelines for the 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. To be eligible for exemption under this section, a person must do all of the following on an annual basis as allowed under MCL 211.7u(6) and (8).

- 1) Own and occupy as a principal residence the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the State Tax Commission with the local assessing unit.
- 2) File a claim with the Board of Review on a form prescribed by the State Tax Commission and provided by the local assessing unit, 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. 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, and an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return.

3) Produce a valid driver's license or other form of identification if requested by the board of review.

4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the Board of Review.

5) Meet the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget.

6) Meet additional eligibility requirements as determined by the City Council, including:

a. Total assets (except the homestead being claimed), essential household goods, and market value of motor vehicle, should not exceed \$4,000 for the claimant or \$6,000 for the household.

Assets include, but are not limited to: real estate (other than the principal residence); motor vehicles, recreational vehicles and equipment, certificates of deposits, savings accounts, checking accounts, stocks, bonds, life insurance and retirement funds. Assets do not include essential household goods (such as furniture, appliances, dishes, and clothing) or term life insurance.

The Board of Review will not reduce the value of the assets by the amount of any indebtedness owed on such assets, or any indebtedness otherwise owed by the applicant.

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

Upon roll call vote the following voted:

YEAS: Donovan, Miller, Mooradian, North, Seabert, Van Loon, Lion

NAYS: None

ABSTAIN: None

ABSENT: None

RESOLUTION DECLARED ADOPTED THIS 15th DAY OF FEBRUARY 2021.

Signed: _____ Date: _____

Signed: _____ Date: _____

CERTIFICATION

I, Pam Aalderink, Clerk of the City of the Village of Douglas, do hereby certify that the above captioned Resolution was adopted by the City Council at a Regular Meeting thereof on the 15th of February 2021.

Pam Aalderink, Clerk