

## Hardship/Poverty Exemption Rules and Regulations

The Board of Review will accept and evaluate applications for poverty exemptions based on the taxpayer's financial status and ability/inability to pay their property taxes in accordance with Public Act 390 or 1994. This poverty exemption is only available to residents of the township for their Principle Residence. The taxpayer must complete an application for a one year poverty exemption and submit it to the Board of Review as outlined in the guidelines below. Applications are available at the township office and at the Lenawee County Equalization Department.

The following standards for income will be applied. The Bureau of the Census defines income to include the following:

1. Money, wages and salaries before any deductions.
2. Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
3. Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses.
4. Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veterans' payments, public assistance (including Aid to Families with Dependent Children, Supplemental Security Income, Emergency Assistance money payments, and non-Federally funded General Assistance or General Relief money payments).
5. Alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships, and assistantships.

### GUIDELINES FOR POVERTY EXEMPTION

1. Applicants may be eligible for consideration if their income level meets one of the following criteria:
  - A. Applicants with income levels not greater than 125% of the Federal Poverty Guidelines in effect for the year for which appeal is made will be considered for exemption. (Guidelines are listed below.)
  - B. Special Circumstance, Active Military Head of Household exemption: In instances where the head of household wage earner is a member of the National Guard Reserves and is called to active military duty, a poverty exemption may be granted. To be eligible for a full or partial poverty exemption, the wages earned must fall within an income level not greater than twice the Federal Poverty Guidelines. The eligibility will be determined following analysis of qualifying income vs. expenses in the initial application. The time period allowed for the poverty exemption relief would be restricted to no more than three years of active duty. Application for the exemption must be made each year.

#### 2013 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

<u>Persons in family/household</u>	<u>Poverty guideline</u>	<u>Persons in family/household</u>	<u>Poverty guideline</u>
1	\$11,490	5	\$27, 570
2	\$15, 510	6	\$31, 590
3	\$19, 530	7	\$35, 610
4	\$23, 550	8	\$39, 630

*For families/households with more than 8 persons, add \$4,020 for each additional person.*

2. The application for exemption must be for the applicant's Principle Residence.
3. Applicants must own and occupy the property.
  - A. Must produce a valid driver's license, voter's registration or other acceptable method of identification & establishing residence.
  - B. Must produce a deed, land contract or other evidence of ownership if requested by the Supervisor or Board of Review.
4. Applicant must fill out application form in its entirety and return it to the Rollin Township Assessor's Office in advance of Board of Review meeting for evaluation.
5. Applicant may be asked to appear at the Board of Review in person and the application must be signed in the presence of the Board of Review unless infirmity or disability does not allow. In such cases, applicants must contact the assessing office to make alternative arrangements. Applicant may have to answer questions regarding their financial affairs, health, and/or the status of people living in their home at this meeting that is open to and may be attended by the public at large.
6. Application must be submitted with copies of the following:
  - A. Current or last year Federal Income Tax Return- 1040 or 1040A
  - B. Current or last year State Income Tax Return- MI-1040
  - C. Current or last year Homestead Property Tax Claim- MI-1040CR
7. Applicants appearing before the Board of Review will be administered an oath, as follows:

"Do you     (your name)     swear and affirm that the evidence and testimony you give in your own behalf before the Board of Review is the truth, the whole truth, and nothing but the truth."

Applicant responds, "I do." or "I will."
8. Applicants will be evaluated based on:
  - A. Data submitted to the Board by the Petitioner.
  - B. Testimony taken from the petitioner and information gathered from any source the Board may wish to use.
9. The Board will also consider all assets owned by petitioner in its deliberations as to whether relief should be granted.
10. Under no circumstances shall a poverty exemption be granted on a principle residence purchased within two (2) years of the appeal date.
11. The applicant must have total household assets (excluding the real estate value of the homestead) of less than \$20,000. The asset value shall be determined by the Supervisor and Board of Review.
12. The asset value of a property will be considered by the Board of Review. Applicants having real estate assets of greater than \$150, 000 may not qualify for property tax relief. For applicants on a parcel with available land divisions the Board of Review may consider the value of those divisions in making their determination.
13. The Board must evaluate tax relief based on poverty annually.
14. A successful applicant may be subject to personal investigation by the Township. This would be done only to verify information submitted or statements made to the Supervisor or Board of Review concerning their poverty exemption claim.
15. The Supervisor may take record and will keep minutes of all proceedings before the Board of Review.