RICHMOND TOWNSHIP

GUIDELINES FOR POVERTY EXEMPTIONS

TAX YEAR 2026

The Board of Review may grant property tax exemptions (in whole and in part) to the principal residence of persons who, in the judgement of the supervisor and the Board of Review, are by reason of poverty unable to contribute toward the public charges. MCL 211.7u(1). Such exemptions are referred to herein as "poverty exemptions." Corporations are ineligible for poverty exemptions. The Board shall not grant a poverty exemption to any individual who the Board finds has the ability to contribute towards public charges.

Guidelines

1. In granting poverty exemptions, the Board of Review realizes this represents a shift of that portion of the tax burden to the other taxpayers of the community and state.

2. Poverty exemptions are only available to persons who own and occupy the subject property as their "principal residence," as that term is defined in MCL 211.7dd.

3. To be considered for a poverty exemption, the applicant must submit the requirements of MCL 211.7u(2) on an annual basis and fully complete, execute and deliver an application for such exemption to the assessor after each January 1st (for the applicable year) but before the day prior to the last day of the Board of Review (for the applicable year).

4. The Board of Review may request an applicant to personally appear before the Board to respond to any questions the Board or Assessor may have.

5. Poverty exemptions must be applied for each year. If an exemption is granted, it is for one year only.

6. Subject to annual audit by the assessor's office, Poverty exemptions granted at 100% exemption for those residents that establish initial eligibility to receive 100% exemption in taxes who also receive a fixed income solely from public assistance that is not subject to significant annual increases beyond the rate of inflation, such as federal Supplemental Security Income or Social Security disability reductions, will remain exempt from taxation for up to 3 additional years.

7. The total income of the applicant and each member of the applicant's household shall not exceed the Federal Poverty Income Standards, as defined and determined annually by the U.S. Department of Health and Human Services ("household income test"). The federal poverty income levels are published annually by the State Tax Commission.

8. The guideline for the maximum assets the taxpayer may have is $50,000. Assets are defined as resources other than the homestead and the standard mode of transportation.

9. The Board of Review shall follow these guidelines as approved as set forth herein for granting or denying a poverty exemption.

10. If a person claiming a poverty exemption is qualified under the eligibility requirements, the Board of Review shall have the authority to grant the exemption in whole or in part depending on each application submitted as follows:

a. 25% reduction in taxable value for the tax year the exemption is granted

b. 50% reduction in taxable value for the tax year the exemption is granted

c. 75% reduction in taxable value for the tax year the exemption is granted

d. 100% reduction in taxable value for the tax year the exemption is granted

INSTRUCTIONS FOR POVERTY EXEMPTION

Richmond Township

The Application for One Year Poverty Exemption is in keeping with the requirements of state law. Please read these instructions carefully. To be considered for a poverty exemption, the following information must be provided:

1. COMPLETE ALL SECTIONS OF THIS APPLICATION AND SIGN THE APPLICATION.

2. Submit completed and signed copy of the following for each owner:

- Copy of prior year Michigan Homestead Property Tax Credit Claim (MI 1040 CR).
- Copy of prior year Federal Income Tax Return (1040), if you are required to file federal income tax, include all schedules and attachments.
- Copy of prior year Federal Income Tax Return (1040) for all other occupants residing in your home.

3. If applicant or any person residing in the residence was not required to file a federal or state income tax return for the current or preceding tax year, a Michigan Department of Treasury Poverty Exemption Affidavit must accompany the Application for Poverty Exemption for all persons residing in the residence. Copies of the Poverty Exemption Affidavit are available online from the Department of Treasury's website.

https://www.michigan.gov/documents/treasury/4988_388856_7.pdf

4. If a family member or other persons living in your home has income from another source that is not reported, it must also be included in Total Household Income for the prior year.

5. The application must be legible. If you need to provide additional information, please attach a separate sheet; do not write in the margins of the application.

6. Do not submit originals of supporting documentation as we must keep these for our records and cannot be returned.

7. If the application is incomplete or you do not include copies of the required financial documents, this lack of information may affect the determination of your claim for a poverty exemption by the Board of Review.

RETURN THE ORIGINAL APPLICATION FULLY EXECUTED AND REQUIRED DOCUMENTATION AFTER JANUARY 1ST OF EACH YEAR AND NO LATER THAN ONE DAY PRECEDING THE CONVENING OF THE BOARD OF REVIEW.