

**SILVER CREEK TOWNSHIP – RESOLUTION 23-02  
PROPERTY TAX POVERTY EXEMPTION GUIDELINES**

**(Pursuant to Public Act 390 of 1994) Adopted by the Silver Creek Township Board on January 11, 2023  
Adjusted to Federal Poverty Standards of 12-31-22 for 2023 assessments.  
Filing Requirements**

In order to file and qualify for the property tax poverty exemption, the claimant must do all of the following and meet each of the following requirements annually:

1. Own and occupy the homestead property for which the exemption is requested.
2. File a claim with the board of review after January 1st but before the day prior to the last day of the board of review on a form provided by the local assessing unit. (Note: The filing of this claim constitutes an appearance before the March board of review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
3. Provide federal and state income tax returns for all persons residing in the homestead. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid driver’s license or other form of identification if requested by the supervisor or board of review.
5. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is being requested if required by the supervisor or board of review.
6. Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget which will be discussed later in this bulletin under the heading "Federal Poverty Income Standards".
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Silver Creek Township Board.
9. Meet any other tests that may be set by the Silver Creek Township Board.

**INCOME STANDARDS**

The following are current poverty threshold Income Standards provided by the United States Office of Management and Budget and issued to Michigan assessors by the Michigan State Tax Commission in Bulletin No. 5 of 1995.

In order to meet the requirement of the Income Standards the claimants annual gross household income cannot exceed the amounts stated below.

Number of Persons Residing in Household	Poverty Threshold
1	\$13,590.00
2	\$18,310.00
3	\$23,030.00
4	\$27,750.00
5	\$32,470.00
6	\$37,190.00
7	\$41,910.00
8	\$46,630.00
For each additional person add:	
	\$4,720.00

**Ordinary income includes:**

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 share cropper, after deductions for farm operating expenses.
4. Regular payments from Social Security, Railroad Retirement, unemployment compensation, strike benefits from union funds, workers compensation, veteran’s payments, and public assistance.
5. Alimony, child support, and military family allotments or other regular support from an absent family member for 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 assistant ships.

8. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings.

**Ordinary income does not include the following, except as provided in number 6 above:**

1. Money received from the sale of property, such as stocks, bonds, a house, or a car, unless the claimant is in the business of selling such property.
2. Withdrawals of bank deposits and borrowed money.
3. Income tax refunds and one-time insurance payments.
4. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.
5. Federal non-cash benefit programs such as Medicare, Medicaid, food stamps and school lunches.
6. Gifts and lump-sum inheritances are not considered as ordinary income; however, dividends, interest, rental proceeds, royalties, inheritances, and other similar receipts received on a period basis, which may be in the form of a gift or other form, including receipts resulting from divestment of assets, and which may have the appearance of income, shall be considered as unearned income and shall be included in the determination of income eligibility.

Asset Eligibility Limitations

**ASSET STANDARDS**

In order to meet the requirements for assets, the total current fair market value of the claimant's household assets cannot exceed \$4,500.00.

Definition of Assets (Non-Inclusive)

Assets include, but are not limited to the cash value of savings accounts and shares, certificates of deposit, investments such as stocks, bonds, mutual funds, deferred compensation accounts, equity in real estate other than the homestead for which the exemption is claimed, motor vehicles other than one primary transportation vehicle, jewelry, coins and other collectibles, precious metals, and other similar possessions which are not essential to the subsistence or health and well-being of the claimant. Gifts, lump-sum inheritances, dividends, interest, rental proceeds, royalties, and other receipts received in the form of a gift, or as a result of asset divestment, shall be considered an asset if received on a one-time lump-sum basis and shall be included in the determination of asset eligibility.

Divestment of Assets

Divestment means a transfer of a resource. Transfer of a resource means giving up all or partial ownership in (or rights to) a resource. Examples include, but are not limited to, selling an asset, giving an asset away, refusing an inheritance, giving up the right to receive income, and other similar divestment actions.

If an application for property tax exemption has divested any assets during the period of 36 months preceding the date of the application, then such divestment shall be considered in the determination of eligibility.

**ADDITIONAL STANDARDS**

**Full or Partial Poverty Exemptions**

PA 253 of 2020 made changes related to granting full or partial poverty exemptions. MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the Board of Review shall grant the poverty exemption, in whole or in part, as follows:

1. A full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted; or
2. A partial exemption equal to a 50% reduction in taxable value for the year in which the exemption is granted; or
3. A partial exemption equal to a 25% reduction in taxable value for the year in which the exemption is granted.

Appeal

A property owner may appeal the March board of review's decision on a poverty exemption claim to the Michigan Tax Tribunal by June 30. An appeal of a July or December board of review poverty exemption decision may be made to the Michigan Tax Tribunal within 30 days of the decision. Appeals are to be made in writing to Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909.

**SILVER CREEK TOWNSHIP APPLICATION FOR PROPERTY TAX POVERTY EXEMPTION**

(Pursuant to Public Act 390 of 1994)

Adopted by the Silver Creek Township Board on January 11, 2023

This application must be filed with the Assessor, Supervisor or Board of Review after January 1, but before the day prior to the last day of the Board of Review

I, \_\_\_\_\_, being the owner and principal resident of the homestead property listed and described below hereby apply for property tax relief pursuant to the provisions of MCL 211.7u of the General Property Tax Act.

Property Code \_\_\_\_\_

Property Description \_\_\_\_\_

Property Address \_\_\_\_\_

Applicant Phone Number \_\_\_\_\_ Marital Status \_\_\_\_\_

Age of Applicant \_\_\_\_\_ Age of Spouse \_\_\_\_\_

Total Number of Household Members \_\_\_\_\_ Spouse Name \_\_\_\_\_

List each and every member of your household:

Last Name - First Name	Age	Relationship To Claimant	Employer	Contribution to Household Income
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Have you applied for Homestead Property Tax Credit? \_\_\_\_\_ (If so, attach copy of MI-1040CR)

**EMPLOYMENT INFORMATION**

Name & Address of Employer \_\_\_\_\_

Employer Phone Number \_\_\_\_\_ How long employed there? \_\_\_\_\_

Job Title \_\_\_\_\_

**PROPERTY INFORMATION**

Is your home paid for? \_\_\_\_\_ If not, name of lender \_\_\_\_\_

Balance Owed \_\_\_\_\_ How long have you lived at this residence \_\_\_\_\_

Do you own, or are you buying or have any interest in any other real property?	Property Address	Name of Owner	Assessed Value	If so, list below Amount & Date of Last Taxes Paid
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Income received from all property: \$ \_\_\_\_\_

**HOUSEHOLD INCOME INFORMATION**

List all household income from all sources for each member of the household:

Household Member	Source of Income	Periodic or Annual Income

Attach a copy of each household member's most recent state and federal tax return forms.

**HOUSEHOLD ASSET INFORMATION**

List all household savings and investments:

Name of Financial Institution or Investments	Amount of Deposit	Current Interest Rate	Name on Account	Value of Investment

List of all life insurance policies held by you and your spouse:

Insured Name	Amount of Policy	Amount Paid Monthly	Paid Up Policy	Name of Beneficiary	Relationship to Insured

List of all assets divested in the past 36 months:

Description	Current Value

List of all motor vehicles in household:

Make	Model	Year	Owned by	Used For	Monthly Payment	Balance Owed

List all other assets and their values:

Type of Asset	Owner	Value	Income Derived from Asset

**PERSONAL DEBTS**

List all household members' personal debts:

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

**MONTHLY EXPENSES**

Utilities \_\_\_\_\_ Food \_\_\_\_\_ Phone \_\_\_\_\_ Clothing \_\_\_\_\_  
 Heat \_\_\_\_\_ Car \_\_\_\_\_ Other (specify) \_\_\_\_\_

**AUTHORIZATION FOR VERIFICATION**

I, \_\_\_\_\_, as an applicant to Silver Creek Township for a Property Tax Poverty Exemption, hereby authorize, by virtue of my notarized signature below, Silver Creek Township to contact any person, firm or organization which I have identified in this Application in order to verify the information I have provided herein. Additionally, I authorize any person firm, or organization so contacted to provide any such information to Silver Creek Township as requested. I am aware that any willful inaccuracies, mis-statements, or mis-representation made by me in this application may constitute perjury, which under the law is a felony violation punishable by fine or imprisonment.

Notice to Applicant

Do not sign this application except in the presence of Silver Creek Township Supervisor, Assessor, and Board of Review member or notary public.

**STATE OF MICHIGAN COUNTY OF CASS**

The undersigned, being duly sworn, deposes and says that the statements made in the foregoing application are true and that he/she has no money, income, or property other than disclosed herein.

Signature of applicant \_\_\_\_\_

Subscribed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 2023

Signature \_\_\_\_\_  
 (Supervisor, Assessor, Board of Review or Notary Public)

**FOR BOARD OF REVIEW USE**

Disposition by the Board of Review      Date \_\_\_\_\_

Denied \_\_\_\_\_ Approved \_\_\_\_\_ Assessment reduced to \_\_\_\_\_

Chairperson	
Second Member	
Third Member	

## 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 to 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 in 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:

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\_\_\_\_\_  
Signature of Person Making Affidavit

\_\_\_\_\_  
Date

**Resolution 23-02** was offered by Clerk Behnke, seconded by Trustee Feirick, at a township board meeting held on January 11, 2023 and approved by voice vote.

The Township Supervisor declared the resolution adopted.

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Mick Braman  
Silver Creek Township Supervisor

CERTIFICATE

I hereby certify that the foregoing constitutes a true and complete copy of *Resolution 23-02* adopted at a regular meeting of the Silver Creek Township Board held on January 11, 2023; that the meeting was conducted and public notice of the meeting was given pursuant to and in compliance with Michigan Open Meetings Act; that a quorum of the Board was present and voted in favor of the resolution; and that the minutes of the meeting will be or have been made available as required by the Open Meetings Act.

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Lorri Behnke  
Silver Creek Township  
Cass County, Michigan