

**SUMMERFIELD TOWNSHIP
RESOLUTION FOR POVERTY EXEMPTION GUIDELINES**

WHEREAS, the adoption of guidelines for poverty exemptions is within the purview of Summerfield Township Board; and

WHEREAS, the principal residence of persons who, the Board of Review determines, by reason of poverty to be unable to contribute to the public charge, is eligible for exemption in whole or in part from taxation under Public Act 390 of 1994 (MCL 211.7u); amended by PA 620 of 2002, PA 253 of 2020, PA 191 of 2023.

WHEREAS, pursuant to PA 390 of 1994, PA 253 of 2020, PA 191 of 2023, the Township of Summerfield, Monroe 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, filed in the current or immediately preceding year.

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested. The exemption does not apply to property owned by a corporation
- 2) File Form 5737: Application and Affirmation for Poverty Exemption with the Board of Review, accompanied by federal and state tax returns for the current or immediately preceding year, including any property tax credits, for all persons residing in the principal residence. If an applicant or other person residing in the home is not required by law to file federal and/or state income tax forms, those persons must file State Tax Commission Form 4988: Poverty Exemption Affidavit.
- 3) Provide a complete list of all assets owned by all persons residing in the residence.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce a deed, land contract, or other evidence of ownership of the property if requested.
- 6) Meet the federal poverty income guidelines as defined and determined annually by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines.
- 7) Meet the asset level test adopted by the Township of Summerfield
- 8) The application for an exemption shall be filed after January 1 but one day prior to the last day of the December Board of Review during the year which the exemption is requested. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

INCOME STANDARDS

In order to meet the requirement of the Income Standards, the claimant's annual gross household income cannot exceed the federal poverty income standards as of December 31, 2025 for use in the setting poverty exemption guidelines for the **2026 Assessment Year**.

2025 FEDERAL GUIDELINES

Size of Family Unit	100% Relief	75% Relief	50% Relief	25% Relief
	Equal or less than 100%	Greater than 100% but equal or less than 115%	Greater than 115% but equal or less than 130%	Greater than 130% but equal or less than 145%
1	\$15,650	\$17,998	\$20,345	\$22,693
2	\$21,150	\$24,323	\$27,495	\$30,668
3	\$26,650	\$30,648	\$34,645	\$38,643
4	\$32,150	\$36,973	\$41,795	\$46,618
5	\$37,650	\$43,298	\$48,945	\$54,593
6	\$43,150	\$49,623	\$56,095	\$62,568
7	\$48,650	\$55,948	\$63,245	\$70,543
8	\$54,150	\$62,273	\$70,395	\$78,518
For Each additional person	\$5,500	\$6,325	\$7,150	\$7,975

Ordinary income includes the following:

1. Money wages and salaries before any deductions, regular contributions from persons not living in the residence
2. Net receipts from non-farm or farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions)
3. Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, supplemental security income (SSI)
4. Alimony, child support, and military family allotments or other regular support from an absent family member for someone not living in the household.
5. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
6. College or university scholarships, grants, fellowships, and assistantships.
7. 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, but is considered an asset.

1. Recreational vehicles such as campers, motor-homes, boats and ATV's
2. Buildings other than the residence
3. Jewelry, antiques, artworks
4. Equipment, other personal property of value
5. Bank accounts, stocks
6. Money received from the sale of property, such as, stocks, bonds, a house or car (unless a person is in the specific business of selling such property)
7. Withdrawals of bank deposits and borrowed money
8. Gifts, loans, lump-sum inheritances, and one-time insurance payments
9. Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms
10. Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches

ASSEST STANDARDS

Asset Eligibility Limitations

In order to meet the requirements for assets, **excluding the principal residence and one vehicle**, the total current fair market value of the claimant's household assets, cannot exceed a multiplier of 1.015 of the federal poverty income standards for the current year assessments. The base for the multiplier is based on the size of the family unit.

Example: 2026 assessment year, the maximum asset value cannot exceed the 2025 Federal Guidelines for a family unit of one: $\$15,650 \times 1.015 = \$15,885$

ADDITIONAL STANDARDS

Michigan Homestead Property Tax Credit

The Michigan homestead property tax credit cannot be considered as income for purposes of the poverty exemption.

Partial Poverty Exemption

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: A full exemption equal to 100%, partial exemption equal to 75%, partial exemption equal to 50%, or partial exemption equal to 25%. No other method of calculating taxable value may be utilized, except for those percentage reductions specifically authorized in statute, or any other percentage reduction approved by the State Tax Commission.

Applications may be reviewed by the Board of Review without applicant being present. However, the Board of Review may request that any or all applicants be physically present to respond, under oath, to answer any questions the Board of Review may have.

Appeal

An appeal of a decision made by the March Board of Review must be filed by completing and submitting a petition to the Michigan Tax Tribunal no later than July 31 of the same year. A decision of the July or December Board of Review may be appealed by filing a petition with the Michigan Tax Tribunal within 30 days of the Board of Review's decision.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT the Board of Review shall follow the above stated policy and Township guidelines in granting or denying an exemption.

The forgoing resolution offered by Lucarelli

and supported by Seegert

Upon roll call vote, the following voted

YES: 5 NO: 0

I, Alexa Kolbe, the duly elected and acting Clerk of Summerfield Township, hereby certify that the foregoing resolution was adopted by the Summerfield Township Board at the regular meeting held on the 20th day of January, 2026 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.

Alexa Kolbe
Alexa Kolbe, Clerk