

## City of Caro Resolution for Poverty Exemption

### Resolution No. 2024-3

**WHEREAS**, the adoption of guidelines for poverty exemptions is required of the City Council; and

**WHEREAS**, the principal residence of persons, who in the judgment of the Board of Review, by reason of poverty is unable to contribute toward the public charges is eligible for exemption in whole or in part from the collection of taxes under (MCL 211.7u); and

**WHEREAS**, the City of Caro, Tuscola 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.
- 2) File Form 5737 *Application for MCL 211.7u Poverty Exemption* and Form 5739 *Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty* with the Assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence or a signed State Tax Commission Form 4988, *Poverty Exemption Affidavit*.
- 3) File a claim reporting that the combined assets of all persons residing in the household do not exceed the current guidelines. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services.
- 7) 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 in 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.
- 8) Meet additional eligibility requirements, including: a maximum asset value amount of \$30,000 and consideration of revenue and non-revenue producing assets owned by the petitioner. Applicants must provide a list of all assets when applying for the poverty exemption. Assets include, but are not limited to: a second home, land, vehicles; Recreational vehicles such as campers,

accounts (over a specified amount), stocks; 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);

Withdrawals of bank deposits and borrowed money; Gifts, loans, lump-sum inheritances, and one-time insurance payments; Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms; Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches.

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

The foregoing resolution was offered by **Council Member Bob Eschenbacher** and supported by **Council Member Emily Campbell**.

Upon roll call vote, the following voted:

“Yes”: **Campbell, Eschenbacher, Iseler, Kish, Oedy, White, Mayor Snider**

“No”: None

Absent: None

The Mayor declares the resolution adopted.



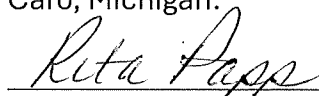
Rita Papp, City Clerk



Karen Snider, City Mayor

**ATTEST:**

I hereby certify that the foregoing is a true and correct copy of a Resolution duly adopted by the City Council of the City of Caro at a regular meeting held on Monday, March 4, 2024, at 6:30 p.m. in the Council Chambers of the Caro Municipal Building, 317 S. State Street, Caro, Michigan.



Rita Papp – City Clerk