

Resolution#1175

ANNUAL GUIDELINE RESOLUTION FOR POVERTY EXEMPTION

WHEREAS, the adoption of guidelines for poverty exemptions is required of the **McMillan Township Board**; and

WHEREAS, the principal residence of persons, who the Assessor and 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); and

WHEREAS, pursuant to PA 390 of 1994, the **McMillan Township, Luce 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, including any property tax credit returns, 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 a claim with the supervisor/assessor or Board of Review, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns filed in the immediately preceding year or in the current year or a signed State Tax Commission Form 4988, Poverty Exemption Affidavit.
- 3) File a claim reporting that the combined assets of all persons 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 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) 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. 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.

The following are the 2026 federal poverty income guidelines which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2026

Size of Family Unit	Poverty Guidelines
1	\$15,650
2	\$21,150
3	\$26,650
4	\$32,150
5	\$37,650
6	\$43,150
7	\$48,650
8	\$54,150
For each additional person	\$5,500

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption, unless the Board of Review determines there are substantial and compelling reasons why there should be a deviation from the policy and federal guidelines and these reasons are communicated in writing to the claimant.

The foregoing resolution offered by **McMillan Township Board** Member Perry and supported by **McMillan Township Board** Member Medelis.

The **McMillan Township** Clerk declared the resolution passed.

Marie McNamara
Marie McNamara Clerk 7/26/26

2026 Asset Level Test for Eligibility Guidelines:

An asset level test means the amount liquid and non-liquid assets that could be used or converted to cash for use in the payment of property taxes.

In addition to meeting income level requirements as noted above, Applicants must also meet requirements based on an asset level test. The asset level test consists of two parts, both of which must be met for eligibility; to-wit: LIQUID ASSET TEST and NON-LIQUID ASSET TEST.

1. LIQUID ASSET TEST

A. Liquid assets may include, but are not limited to cash, bank accounts, stocks and bonds, IRA's, Roth's, other investment accounts, pensions, lump sum inheritance, money received or due from the sale of property, borrowed money, or any other liquid assets.

B. In order to be eligible for a full or partial exemption, the total value of the listed assets referred to in paragraph 1A shall not exceed \$2,000.00.

2. NON-LIQUID ASSET TEST

A. Non-liquid assets may include, but are not limited to non-exempt automobiles, recreational vehicles including but not limited to boats, snowmobiles, campers, travel trailers, motor homes, jet skis, motorcycles, off road vehicles, or other items of a similar nature, additional buildings other than the residence, equipment, jewelry, antiques, other art work, or any other personal property of value or any assets received in lieu of wages, real estate other than Applicant's principal residence.

B. In order to be eligible for a full or partial exemption, the total value of the listed assets referred to in paragraph 2A shall not exceed \$15,000.00.

The Applicant shall furnish and provide copies of documents pertaining to any asset that evidences ownership and value, and any other documentation requested.

In order to be eligible for a Poverty/Hardship Exemption in accordance with MCL 211.7u and related subsections thereto, the Applicant must meet both the **2026 Income Standards for Eligibility Guidelines** and **2026 Asset Level Test for Eligibility Guidelines**.

Exempt Property

The following shall constitute exempt property and shall not be included in the asset level test; to-wit: one automobile the value of which shall not exceed \$15,000.00 for each licensed occupant of the household, household furnishings located in the residence, and clothing.