

CHARTER TOWNSHIP OF GARFIELD INCOME-BASED EXEMPTION POLICY

The Charter Township of Garfield Board of Review will accept and evaluate applications for a principal residence (homestead) property tax exemption based on the taxpayer's inability to pay (income-level), pursuant to PA 390, 1994 (MCL 211.7u) and Garfield Township Board Resolution #2024-32-T. The applicant shall comply with the following as part of the application (attached):

- Be an owner of, and occupant of, the principal residence for which an exemption is requested.
- Complete an application (Exhibit "A") annually with the Township for a current year poverty exemption request and submit it to the Garfield Township Board of Review AFTER January 1 but before the Thursday prior to the last day of the Board of Review (by law, this is the 2nd Tuesday in December).
- Federal and state income tax returns for all persons residing in the principal residence INCLUDING the Michigan homestead property tax credit claim form, proof of ownership of the homestead (*if requested by the Township*) for the preceding calendar tax year MUST be provided to the Board of Review prior to its poverty exemption determination for the current tax year. If applicant is not required to file income taxes, the Poverty Exemption Affidavit (Michigan Dept. of Treasury form 4988) MUST be completed, signed and attached to the application (Exhibit "B").
- Produce a valid drivers' license or other form of official identification, if requested.
- Annually complete Michigan Department of Treasury form 5739, Affirmation of Ownership and Occupancy to Remain Exempt by Reason of Poverty (Exhibit "C").

The Board of Review will objectively evaluate Income-based Exemptions applications utilizing all available information, including statements, under oath by the applicant upon appearance before the Board of Review. An applicant must apply for a poverty exemption on an annual basis.

In order to qualify for the poverty exemption, an applicant must satisfy a two-part test:

Part One requires the applicant household to satisfy the Garfield Township income guidelines, which are updated annually by Township Board resolution, through its review of the Federal Poverty Guidelines of the US Department of Health and Human Services, incorporated by reference in the attached Income-based Exemption Rules, Regulations and Asset Test (Exhibit "D").

Part Two requires the applicant to satisfy an Asset Test based upon the total amount of household assets. An applicant may qualify for the Income-based exemption provided the applicant has no more than \$20,500 in total aggregate household assets as listed in the attached Income-based Exemption Rules, Regulations and Asset Test.

In the event the applicant meets the foregoing two-part test, as well as all of the general guidelines of Township Board Resolution 2024-32-T and PA 390 of 1994, the applicant shall be exempted from all property taxes for the tax year in question by the Board of Review. If the Board of Review denies a Income-based Exemption reduction, it must provide a written decision specifying the reasons for the denial to the applicant.

Adopted: December 10, 2024

Effective immediately. This policy and procedures are in force and effect until amended by the Charter Township of Garfield Township Board by resolution.