

Aetna Township
PROPERTY TAX HARDSHIP EXEMPTION GUIDELINE

(Pursuant to Public Act 390 of 1994) Adopted by the Aetna Township Board on 2/09/2009

Filing requirements

In order to 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 primary residence property for which the exemption is requested.
2. File a claim with the Supervisor or Board of Review after January 1st but prior to the last day of the Board of Review on a form provided by the local assessing unit.
3. Provide federal and state income tax returns for all persons residing in the residence including any property tax credit returns. These income tax returns may be those filed in the current year or in the immediate preceding year.
4. Produce a valid drivers 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.
7. Report divestment of assets on the required application form.
8. Meet the asset levels set by the Aetna 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 the Michigan Assessors by the Michigan State Tax Commission annually.

1. In order to be considered for a poverty exemption the claimant's annual gross household income cannot exceed the amounts stated below.

Number of Persons Residing in Household	Poverty Threshold Maximum Household Income
1 person	\$ 13,590
2 persons	18,310
3 persons	23,030
4 persons	27,750
5 persons	32,470
6 persons	37,190
7 persons	41,910
8 persons	46,630
For each additional person, add	4,720

Ordinary income includes the following:

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 receipts from a farm which one operates as an owner, renter, or sharecropper, 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 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.

Asset Standards

Asset Eligibility Limitations

Assets, (except the original homestead, essential household goods and the first \$5,000 of the market value of a motor vehicle), shall not exceed \$4,000. (four thousand) dollars for individual applicant and/or \$6,000 (six thousand) dollars per household if more than one financial contributor.

The assets of each member of the applicant's household shall be examined to determine whether there are assets, which can reasonably be invested, sold or used to pay the property taxes. If the assets are of a nature and value which reasonably indicates that a condition of poverty does not exist, then a poverty exemption shall be denied.

Definition of Assets

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 applied for, 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 asset 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

Michigan Homestead Property Tax Credit

In calculating the applicants property tax liability and possible reduction thereof, any refunds received or due to be received from a Michigan Homestead Property Tax Credit Claim (MI-1040CR) shall be reported by the applicant and taken into account in regard to the granting of any property tax exemption.

Partial Poverty Exemption

Act No 390 of Public Acts of 1994 authorizes partial poverty exemptions. A partial poverty exemption is an exemption of only part of the taxable value of the property for which an exemption is claimed, rather than the entire taxable value.

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 30th. 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.