

**POVERTY EXEMPTION RESOLUTION
TOWNSHIP OF MICHIGAMME
RESOLUTION NO. 2026-02-09 #1**

THE TOWNSHIP OF MICHIGAMME, MARQUETTE COUNTY, MICHIGAN RESOLUTION TO ADOPT 2026 REAL PROPERTY TAX POVERTY EXEMPTION INCOME GUIDELINES AND ASSET TEST FOR PROPERTY RELIEF UNDER PUBLIC ACT 206 OF 1893 AS AMENDED BY PUBLIC ACT 253 OF 2020, (MCL 211.7U AS AMENDED)

WHEREAS the homestead of persons who, in the judgment of the Board of Review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or in part from taxation under the General Property Tax Act; and

WHEREAS the General Law Township of Michigamme Board is required by Section 7u of the Property Tax Act, Public Act 206 of 1893 as amended by Public Act 253 of 2020 (MCL 211.7u as amended) to adopt guidelines for poverty exemptions; and

WHEREAS, pursuant to MCL 211.7u the guidelines shall include but not be limited to the specific income and asset levels of the claimant and all residing in the household.

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u the Township of Michigamme, Marquette County, Michigan adopts the following policy and guidelines which the Board of Review shall follow in granting or denying a Poverty Exemption under MCL 211.7u; to-wit:

FURTHER, the Board of Review shall follow the policy and guidelines in granting a Poverty Exemption. The same standards shall apply to each claimant in the township for the assessment year. Poverty Applicants can also appeal the assessed value/assessment of property for which the Poverty claim is made before the Board of Review in the same year.

FURTHER, MCL 211.7u(1) of the Michigan General Property Tax Act defines the Poverty Exemption, as a method to provide relief for those who, in the judgment of the Board of Review, are unable to fully contribute to the annual property tax burden of their principal residence due to their financial situation. To qualify for the Poverty Exemption, the claimant must meet all the following requirements. It may be possible that a claimant meets the income standard for the Poverty Exemption but does not meet the asset standard or other standards as set forth in these guidelines. In this instance, the claimant would not qualify for the exemption even though the income standard was met.

FURTHER, Poverty Exemptions shall apply only to the Applicant's qualified Principal Residence. Under no circumstances shall a Poverty Exemption be granted to apply to the property of a corporation.

FURTHER, MCL 211.7u(5) states that if a person claiming the poverty exemption meets all eligibility requirements, the Board of Review shall grant the exemption in whole or in part as follows: The amount of relief due to Poverty that shall be granted by the Board of Review for any Qualified Applicant shall be a full exemption equal to a 100%, or a partial exemption equal to a 75%, 50%, or 25% reduction in taxable value for the year in which the exemption is granted based on the income and assets level hereinafter set forth.

TO BE ELIGIBLE FOR THE EXEMPTION BY REASON OF POVERTY, A PERSON SHALL COMPLY WITH ALL OF THE FOLLOWING PROVISIONS AND CONDITIONS AS REQUIRED BY MCL 211.7u:

1. Applicant must be an owner of and occupy as a principal residence (as defined by MCL 211.7dd), the property for which an exemption is being requested and provide a copy of the Deed, Land Contract, or other evidence of ownership of the property for which an exemption is being requested.

2. The Applicant must have a valid Principal Residence Exemption filed with the Township of Michigamme Assessor's Office.

3. A copy of a valid Michigan Driver's License or other valid legal form of photo identification which indicates residing property address for all persons in the household.

4. Initial Applicants must complete in its entirety a State of Michigan FORM 5737 "APPLICATION FOR MCL 211.7U POVERTY EXEMPTION", and FORM 4988 "POVERTY EXEMPTION AFFIDAVIT". All claims, including all required information listed below, must be filed with the Township Assessor for review of completeness and eligibility compliance. Applications are to be filed after January 1st and before the day prior to the last day of the March, July, or December Board of Review meetings for the assessment year. Incomplete applications and/or applications of taxpayers not meeting the eligibility requirements will be returned to the Applicant and will not be considered by the Board of Review. All first time Qualified Applicants, or their authorized Representative, may appear in person before the Board of Review to be considered for relief. Applications meeting all eligibility requirements will be presented before the Board of Review.

5. Applicants should provide copies of the following forms, for all persons residing in the household, filed in the immediately preceding year or in the current year:

A. Federal Income Tax Return (1040 or 1040A), and the State of Michigan Income Tax Return (MI-1040) if an Applicant or resident of the same household files this tax return or is not required to file a Federal Income Tax Return, or if they meet the requirements for receiving a Federal or State Earned Income Tax Credit (EITC) and shall provide any 1099's received.

B. If Applicant did not file a Federal or State Income Tax return, they **shall** complete and file the Income Tax Exemption Affidavit (Treasury Form 4988) for all persons residing in the residence who were not required to file in the current or in the immediately preceding year, and who did not meet the qualifications for receiving an EITC.

C. W-2 forms

D. Social Security Benefit Statement (form SSA-1099) for all persons residing in the household, who receive Social Security benefits.

E. Proof of all sources of income if not included on the W-2 Forms, including any check stubs or receipts of other persons living in the household, or from State or Federal Government Checks.

F. Bank and/or credit union statements, for all current and preceding six months, of all checking and savings accounts.

G. Copies of the most recent year's tax bills and taxable values of all property other than the Homesteaded/Principal Residence owned or partially owned by the Poverty Applicant.

H. Proof of gross annual income from all sources must be provided.

6. Applicants must meet the Income Standards for Eligibility Guidelines, Liquid Asset Test for Eligibility and Non-liquid Asset Test for Eligibility as set forth in the following Guidelines to qualify for a full or partial exemption:

2026 Income Standards for Eligibility Guidelines all amounts are in dollars

Family Size	Federal Poverty Guidelines	100% Exemption	75% Exemption is between	50% Exemption is between	25% Exemption	No Poverty Relief Granted
1 Person	15,650	19,563 or less	19,564 and 21,127	21,128 and 22,692	22,693 and 24,257	above 24,258
2 Person	21,150	26,438 or less	26,439 and 28,552	28,553 and 30,667	30,668 and 32,782	above 32,783
3 Person	26,650	33,313 or less	33,314 and 35,977	35,978 and 38,642	38,643 and 41,307	above 41,308
4 Person	32,150	40,188 or less	40,189 and 43,402	43,403 and 46,617	46,618 and 49,832	above 49,833
5 Person	37,650	47,063 or less	47,064 and 50,827	50,828 and 54,592	54,593 and 58,357	above 58,358
6 Person	43,150	53,938 or less	53,939 and 58,252	58,253 and 62,567	62,568 and 66,882	above 66,883
7 Person	48,650	60,813 or less	60,814 and 65,677	65,678 and 70,542	70,543 and 75,407	above 75,408
8 Person	54,150	67,688 or less	67,689 and 73,102	73,103 and 78,517	78,518 and 83,932	above 83,933

Each additional person adds \$5,500

The Board of Review shall consider income from **all** sources and from **all** occupants of the household when determining whether an Applicant meets the Poverty income standards adopted by the Township of Michigamme. Income according to the United States Census Bureau includes but is not limited to the following:

- A. Money, wages, salaries before deductions, regular contributions from persons not living in the residence.
- B. Net receipts from non-farm or farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions).
- C. Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, supplemental security income (SSI).
- D. Alimony, child support, military family allotments.
- E. Private and governmental retirement and disability pensions, regular insurance, annuity payments.
- F. College or university scholarships, grants, fellowships, assistantships.
- G. Dividends, interest and net income from rentals, royalties, estates, trusts, gambling, or lottery winnings.

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. To be eligible for a full or partial exemption, the total value of the listed assets referred to in paragraph 1A shall not exceed \$7,500.00.

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 or excess land that exceeds the footprint of the principal residence in excess of 10 acres.

B. To be eligible for a full or partial exemption, the total value of the listed assets referred to in paragraph 2A shall not exceed \$10,000.00.

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

To be eligible for a Poverty/Poverty 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, household furnishings located in the residence, and clothing.

Miscellaneous Provisions

1. A copy of this Resolution shall be posted on the Township of Michigamme website.
2. This Resolution shall remain in effect until January 1, 2027, unless amended or modified, and further revokes any prior poverty exemption resolutions.
3. All granted poverty exemptions are reviewed on an annual basis by submitting Michigan Department of Treasury Form 5737 to Michigamme Township for the current assessment year and are granted and denied for the current assessment year. A new complete application must be filed once every year.
4. Board of Review meetings are open to the public and subject to the Open Meetings Act.
5. That the following documents referenced in this Resolution are available at the State Tax Commission website and the Michigamme Township Assessing Department; to-wit: MICHIGAN FORM 5737 APPLICATION FOR MCL 211.7U PROVERTY EXEMPTION AND FORM 4988 POVERTY EXEMPTION AFFIDAVIT.
6. The Board of Review shall not grant a Poverty Exemption to property owned by a corporation.
7. The Board of Review may require the Applicant to personally attend the meeting, provide additional copies of supporting documents other than the documents previously mentioned, require sworn testimony of the Applicant or other persons as the Board deems necessary.
8. It is the intent of Michigamme Township to adopt a policy that is fair to its residents, however it is not the intent, that an Applicant be “automatically” entitled to a poverty exemption.
9. The Board of Review may deny Applicant relief if it determines the Applicant refused to provide any requested documentation or concludes Applicant disposed of assets or income in any manner to wrongfully circumvent the policy and guidelines of General Law Township of Michigamme.
10. The Board of Review shall follow the above stated policy and guidelines in granting or denying a poverty exemption and the Board shall not deviate from the policy and guidelines for any reason whatsoever.
11. If an Applicant meets the income and asset tests, the Board of Review shall grant a poverty exemption, however if an Applicant does not meet the income and asset tests, the Board of Review shall deny the application.
12. The 2026 Income Standards for Eligibility Guidelines for a 100% exemption, are percent based of the Federal Poverty Guidelines and State Tax Commission Bulletin 17 of 2025 dated November 18, 2025.

13. This Resolution shall take immediate effect on the date it is adopted, approved, and passed.

THIS RESOLUTION IS HEREBY ADOPTED, APPROVED AND PASSED BY THE GENERAL LAW TOWNSHIP OF MICHIGAMME BOARD ON THIS _____ DAY OF _____, 2026.

The foregoing resolution was offered by Board Member, _____, and supported by Board Member, _____.

Upon roll call vote, the following voted

Aye: _____

Nay: _____

The Supervisor declared the resolution adopted. _____
Julia M.A. Leake

CLERK’S CERTIFICATE

The undersigned, being the duly qualified and Clerk of the Township, hereby certifies that (1) the foregoing is a true and complete copy of the _____, 2026 resolution duly adopted by the Township Board at a meeting of the Township of Michigamme Board, at which meeting a quorum was present and remained throughout; (2) the original thereof is on file in the records in my office; (3) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976 as amended); (4) minutes of such meeting were kept and will be or have been available as required thereby; and (5) this Resolution consists of 6 pages.

Kathi Hanson
Township of Michigamme Clerk