

City of Tawas City
Guidelines for Poverty Exemption Review

General Overview

The Board of Review of the City of Tawas City recognizes the need to have available a procedure by which residents in need of assistance under MCL 211.7u can make an application for property tax relief. The Board further recognizes that, pursuant to statute, as well as case law, they must adopt procedures and guidelines, approved by the City Council, to be used as standards when considering appeals made based on financial hardship. The Board of Review understands that these guidelines must be adhered to when reviewing hardship appeals, and reserves the right to make individual considerations within their authority, as they feel necessary. Any form submitted that is inaccurate or not fully completed will result in a denial of the appeal. All information in the form is subject to verification from the Board or Assessor's Office.

Basic Filing Requirements

In order to be considered for exemption under MCL 211.7u each applicant must:

- a) Own and occupy the property as a homestead, defined by law, for which the request is being made. This may include vacant, contiguous property as long as it is considered part of the principal homestead.
- b) Complete and submit an Application for Tax Exemption on a form designated and supplied by the City of Tawas City Assessor's Office after January 1st and prior to the final session of the March Board of Review.
- c) Submit income verification as required. This must include current Federal and State Income Tax Returns, State Homestead Property Tax Credit Forms, or any additional information requested by the Board of Review.

Processing Applications

Once an Application for Tax Exemption is completed and returned to the Assessor's Office it will be forwarded to the Board of Review to be considered for tax relief in a work session. The Board of Review in making their decision may contact the applicant for any additional information they deem necessary. The Board of Review may also reject any application where the information contained in it appears fraudulent, misleading or incomplete.

Income Guidelines

The income guidelines used by the Board of Review are the Federal Poverty Income Standards as defined and determined annually by the US Department of Health & Human Services.

Asset Guidelines

As required by P.A. 390 of 1994, all guidelines for poverty exemptions as established by the governing body of the local assessing unit **SHALL** also include an asset level test. The following assets shall not be considered when applying an asset test to determine qualification for tax exemption.

- a) The value of the applicant's primary residence subject to the exemption request along with any contiguous residential land.
- b) The value of all personal property, such as furniture and clothing.

Notwithstanding the value of property listed above, in order to be considered for tax exemption under MCL 211.7u the value of all additional assets shall not exceed zero (0) times the annual household income of the applicant.

All asset information as requested in the [Application for Property Tax Exemption](#) must be completed in total. The Board of Review may request additional information and verification of assets if they determine it to be necessary and may reject any application if assets are not properly identified.

Summary

In conclusion, the Board of Review has been given exclusive jurisdiction over the granting of property tax relief due to financial hardship. The Board of review for the City of Tawas City takes this task seriously and attempts to provide relief to all deserving residents within the city. The Board of Review may deny any appeal, regardless of income, if the financial hardship appears to be self-created by the actions of the person or persons making the application.