

Sullivan township

Resolution 2-9-26

Poverty Exemption

Whereas the adoption of guidelines for poverty exemptions is required of the Township Board; and;

Whereas the principal residence of persons, who the Supervisor/Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charges, 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 Township of Sullivan, Muskegon County, adopts the following guidelines for the Board of Review to implement. The guidelines shall include but are not limited to the specific income and asset levels of the claimant and all persons residing in the household files in the current or immediately preceding year;

To be considered and approved for an exemption, a person shall do all the following on an annual basis:

- 1) File a claim with the Board of Review after January 1 and no later than the day before the December Board of Review begins. The claim for exemption should be submitted on form 5737 – Application for Poverty Exemption. For individuals not requiring to file a federal or state tax return, they must also file an affidavit affirming this on form 4988 -Poverty Exemption Affidavit. (Note: The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right to appeal to the Michigan Tax Tribunal.)
- 2) Meet the federal poverty income standards as defined and determined annually by the United States Office of Management and Budget. (Specific income guidelines are attached/Included in this document.)
 - a. Exemptions
 - i. At or below poverty standards as mentioned above = 100% exemption.
 - ii. \$0.01-\$1000.00 above poverty standards as mentioned above = 75% exemption.
 - iii. \$1000.01-\$5,000.00 above poverty standards as mentioned above = 50% exemption.

- 3) Attach copies of the following:
 - a. Federal and state income tax forms for ALL persons residing in the home if required to file. If NOT required to file, form 4988 stating so must be submitted.
 - b. W-2 forms
 - c. Copy of deed or land contract
 - d. Valid driver's license or other form of identification
 - e. Copies of the last four (4) months bank statements for ALL persons residing in the home.
- 4) Meet the following asset requirements:
 - a. Liquid assets may not exceed \$3,000
 - b. Transportation – Limit of one per income provider
 - c. Total assets cannot exceed \$10,000 in value, excluding the homestead and one vehicle per income provider.

You must provide proof of income and assets to be considered for an exemption. The Board of Review has the final decision as to whether a poverty exemption should be granted and the amount of the exemption. Poverty exemption must be applied for every year.

Now, therefore, let it be resolved that the Sullivan Township supervisor/assessor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption. This resolution hereby repeals and replaces the previous Sullivan Township poverty Policy.

The foregoing resolution was moved by VonHulst and supported by Hazekamp and therefore adopted by the Board of Trustees at the Township of Sullivan, at a regular meeting held February 9, 2026.

Roll Call Results

YAY NAY

X ___ Hazekamp

X ___ Glavich

X ___ Hirnber

___ Brown

___ VanHouten

The township supervisor declared the resolution passed

February 9, 2026 - Regular Meeting

Heather Rio

Heather Brown - Clerk

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

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons shall not be set lower than \$26,650 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$26,650. Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2026 assessments:

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

Note: MCL 211.7u requires that the poverty exemption guidelines established by the governing body of the local assessing unit shall include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash to pay property taxes.

The asset test should establish a maximum amount and any assets exceeding that amount is considered available. Please refer to STC Bulletin 17 of 2025 for additional information.

Note: MCL 211.7u allows an affidavit (Treasury Form 4988) to be filed for all persons residing in the residence who were not required to file federal or state income tax returns in the current year or in the immediately preceding year. This includes the owner of the property who is filing for the exemption.