

**COLUMBIA TOWNSHIP
POVERTY PROPERTY TAX REDUCTION RULES AND REGULATIONS**

The Columbia Township Board of Review will accept and evaluate applications for poverty property tax reduction or exemption based on the taxpayer's financial status and ability / inability to pay their property taxes in accordance with Public Act 390 of 1994. This poverty exemption is only available to residents of Columbia Township for their Principle Residence. The taxpayer must complete an application for a one-year poverty reduction or exemption and submit it to the Columbia Township Board of Review as outlined in the guidelines below. Applications are available at the Columbia Township Office.

The following standards for income will be applied: The Bureau of the Census defines income to include 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 are 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, worker's compensation, veterans' payments, public assistance (including Aid to Families with Dependent Children, Supplemental Security Income, Emergency Assistance money payments, and non-Federally-funded General Assistance or General Relief money payments).
5. Alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household.
6. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
7. College or university scholarships, grants, fellowships, and assistantships.

GUIDELINES FOR POVERTY EXEMPTION

1. Applicants may be eligible for consideration if their income level meets one of the following criteria:
 - A. Applicants with income levels falling within the Federal Poverty Guidelines will be considered for full tax exemption
 - B. Applicants with income levels equaling 1.5 times the Federal Poverty Guidelines will be considered for full or partial exemption depending on obligations. Partial exemptions will only be granted based on a 25%, 50%, or 100% reduction in taxable value.

2021 FEDERAL POVERTY GUIDELINES

Number of persons <u>Residing in Homestead</u>	<u>Poverty Threshold</u>
1 person	12,760
2 persons	17,240
3 persons	21,720
4 persons	26,200
5 persons	30,680
6 persons	35,160
7 persons	39,640
8 persons	44,120
1 each additional person	4,480

2. The application for exemption must be for the owners Principle Residence or for Qualified Agricultural Lands.
3. Applicants must own and occupy the property.
 - a. Must produce a valid driver’s license, voter’s registration or other acceptable method of identification & establishing residence.
 - b. Must produce a deed, land contract or other evidence of ownership if requested by the Assessor or Board of Review.
4. Applicant must fill out application form in its entirety and return it to this office in advance of Board of Review meeting for evaluation.
5. Application must be submitted with copies of the following:
 - a. Current or last year Federal Income tax Return – 1040 or 1040A
 - b. Current or last year State Income Tax Return – MI-1040
 - c. Current or last year Homestead Property Tax Claim – MI-1040CR
6. Applicants will be evaluated based on:
 - a. Data submitted to the Board by petitioner.
 - b. Testimony taken from petitioner and information gathered from any source the Board may wish to use.
7. The applicant must have total household assets (excluding the real estate value of the homestead) of less than \$30,700. The asset value shall be determined by the Assessor and Board of Review. The asset limit shall be indexed annually by the CPI as used to determine the annual assessment cap.
8. The Board must evaluate tax relief based on hardship annually.