

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF FARMINGTON

RESOLUTION NO. 12-23-034

**A RESOLUTION OF THE FARMINGTON CITY COUNCIL ADOPTING A POLICY
RELATIVE TO THE REVIEW AND GRANTING OF POVERTY EXEMPTIONS BY
THE CITY OF FARMINGTON BOARD OF REVIEW.**

At the meeting of the City Council of the City of Farmington, Oakland County, Michigan, held on the 18th day of December, 2023, at the City Hall, 23600 Liberty Street, Farmington, Michigan 48335.

The following resolution was offered by Councilmember Schneemann and seconded by Councilmember Balk:

WHEREAS, pursuant to Public Act 206 of 1893, as amended, specifically MCL 211.7u, the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges is eligible for exemption from taxation; and,

WHEREAS, P.A. 390 of 1994, which amended Section 7u of Act No. 206 of the Public Acts of 1893, as amended by Act No. 313 of the Public Acts of 1993, being sections 211.7u of the Michigan Compiled Laws, requires that the governing body of the local assessing unit determine and make available to the public the policy and guidelines used by the Board of Review in granting reductions in property assessments due to limited income and assets, referred to as "poverty exemptions."

WHEREAS, PA 191 amends the poverty exemption to allow local units to grant a 75% partial exemption, in addition to the previously allowed 100%, 50%, and 25%, without prior approval by the State Tax Commission; and,

THEREFORE, BE IT RESOLVED that to be eligible for a poverty exemption in the City of Farmington,

An applicant must own and occupy as a principal residence the property for which the exemption is requested. An applicant who is receiving medical care outside the primary residence for an extended period of time can be granted an exemption as long as there is the intent and possibility that the applicant will return to the subject residence.

The subject property must be classified as an "improved single family residential" or "residential condominium" property with a valid Homeowner's Principal Residence Exemption (PRE) currently in effect.

The applicant or applicants must complete and timely file an application requesting a poverty exemption on a form prescribed by the State Tax Commission. The application with all supporting and required documentation must be filed after January 1 but not later than the day prior to the last day of the Board of Review.

The applicant must include with the application a copy of all of the previous year's income tax returns that the applicant was required to file (Federal Income Tax Return, Michigan Income Tax Return and the Michigan Property Tax Credit Form, etc.) Copies of the previous year's income tax returns must be supplied for all persons living in the subject residence. All new applicants and other applicants, when requested by the Board, must provide copies of all income tax filings for the three previous years.

The applicant must supply a copy of a current driver's license or other form of identification.

The Board of Review can request any other additional information or documents that the Board may deem necessary to make a determination.

BE IT FURTHER RESOLVED that the applicant's total household income cannot exceed two (2) times the most current Federal Poverty Guidelines from the prior tax year poverty income figure, as reported by household size, in the "Federal Poverty Guidelines" updated annually in the Federal Register by the U.S. Department of Health and Human Services as established by the State Tax Commission-to be updated annually.

BE IT FURTHER RESOLVED that the total value of the assets of the applicant and each member of the applicant's household, combined, shall not exceed four (4) times the most current Federal Poverty Guidelines from the prior tax year poverty income figure, as reported by household size excluding the property for which the exemption is requested and the principal vehicle for each driver, BUT including all other property. Property shall include, but is not limited to: cash, savings, stocks, mutual funds, certificates of deposit, insurance commodities, coin collections, boats, jewelry, art, motor vehicles, recreational vehicles, second homes, cottages or any other saleable real property or other tangible items.

BE IT FURTHER RESOLVED that a poverty exemption is granted for one year only and must be applied for and reviewed annually based on the applicant's current situation.

BE IT FURTHER RESOLVED that the applicant(s) and all those living in the applicant's household who are submitting tax returns and related financial documents must sign a Waiver of Confidentiality prior to the Board discussing the

request for a poverty exemption in which the applicant(s) and others consent to the examination and discussion of the applicant's application and all supporting documentation by the Board of Review members in a public meeting format.

BE IT FURTHER RESOLVED that meeting income level guidelines does not guarantee 100% exemption. At their discretion, the Board may grant a 100%, 75%, 50% or 25% reduction in taxable value for the tax year in which the exemption is granted.

BE IT FURTHER RESOLVED that to conform with the provisions of P.A. 390 of 1994, this resolution is hereby given immediate effect and will stay in effect for subsequent years until amended or voided.

BE IT FURTHER RESOLVED that all prior Resolutions adopting policies for the Granting of Poverty Exemptions are hereby repealed and/or rescinded.

ROLL CALL

Ayes: Balk, LaRussa, Parkins, Schneemann, Taylor

Nays: None

Absent: None

I, Meaghan Bachman, the duly appointed Clerk of The City of Farmington, Oakland County, Michigan, do hereby certify that the above is a true copy of a resolution adopted by the City of Farmington, City Council at a meeting held on December 18, 2023 at which time a quorum was present.



Meaghan Bachman, City Clerk

