

**Lovells Township, Crawford County, MI**  
**RESOLUTION for 2026 Poverty Exemption Income Guidelines and Asset Test**

**RESOLUTION # 2026-01**

**WHEREAS**, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

**WHEREAS**, the township board is required by MCL 211.7u to adopt guidelines for the poverty exemption;

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Supervisor and Board of Review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The guidelines shall include but not be limited to the specific income and asset levels of the claimant and all persons residing in the household.

To be eligible for exemption, a person must do all the following on an annual basis:

(1) Own and occupy, as a principal residence, the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the local assessing unit.

(2) File a claim with the board of review on a form prescribed by the state tax commission and provided by the local assessing unit, accompanied by federal and state income tax returns for all persons residing in the principal residence, including any property tax credit returns, filed in the immediately preceding year or in the current year. Federal and state income tax returns are not required for a person residing in the principal residence if that person was not required to file a federal or state income tax return in the tax year in which the exemption under this section is claimed or in the immediately preceding tax year, and an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return.

(3) Produce a valid driver license or other form of identification if requested by the supervisor or board of review.

(4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if required by the supervisor or board of review.

(5) Meet the federal poverty income guidelines as defined and determined annually.

(6) Meet additional eligibility requirements as determined by the township board, including:

(a) If income exceeds the federal poverty income guidelines **or** assets exceed the amounts described below, a Poverty Exemption shall not be granted.

(b) The Asset Level established under PA 390 of 1994 as described in State Tax Commission Bulletin 6 of 2017, shall be employed. This asset level test is adopted annually by the Township Board policy and the Board of Review:

- a. Cash assets of the total household may not exceed an amount equal to two month's gross household income. This includes all forms of money generated, including income as described by the US Census Bureau, that is being held as: cash, cash apps, money in checking/savings accounts, stocks/bonds, one-time insurance payments/cash-out option insurance policies, coin/antique/artwork collections, boats, ORV's, motorcycles, recreational vehicles, jewelry, retirement accounts, gifts, loans, lump-sum inheritances, money markets and other financial institution accounts, an/or instruments or securities which can be readily converted to cash, food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms, Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches.
- b. Fixed Assets to the total household may not exceed \$5,000. Non-cash assets are defined as those, which are not considered to be cash assets, as defined above.
- c. Other Property, including real estate, of any value, that could be converted to cash and used to pay property taxes. Other real estate is defined as: real estate other than the primary dwelling.
- d. The following assets are excluded from this limit:
  - i. Applicant's principal residence and adequate transportation
  - ii. Applicant's household personal property

- iii. Assets not accessible by the applicant, co-owner, or any member of the applicant's household.

The following are the **Federal Poverty Income Guidelines**, which are updated annually by the United States Department of Health and Human Services. The annual allowable income includes income for all persons residing in the principal residence.

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

BE IT ALSO RESOLVED that the supervisor and board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption.

The foregoing resolution offered by:

Township Board Member, J. Dunning

and supported by

Township Board Member, R. Wright

Upon roll call vote, the following voted: All Ayes

The Township Supervisor declared the resolution adopted on **December 9, 2025**.

I, J. Dunning, the duly elected and acting Clerk of the Township, hereby certify that the foregoing resolution was adopted by the township board of said township at the regular meeting of said board held on **December 9, 2025**, at which meeting a quorum was present by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.

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J. Dunning, Township Clerk