



Legislation Details (With Text)

File #: 20-1801 **Version:** 4 **Name:** Resolution to Approve the Board of Review Guidelines for Poverty Exemptions

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Title: Resolution to Adopt the Board of Review Guidelines for Poverty Exemptions from Property Taxation of Principal Residence Pursuant to MCL 211.7u

Sponsors:

Indexes:

Code sections:

Attachments: 1. Poverty Exemption Guidelines as Approved by City Council 011921.pdf, 2. 2021 Poverty Guidelines 12.2.2020.pdf, 3. Memo T.Gillotti - 2021 recommended Poverty Exemption guidelines.pdf, 4. Radina & Song amendment 2021 Poverty Guidelines .pdf, 5. Radina & Song amendment 2021 Poverty resolution .pdf, 6. Ramlawi amendment 2021 Poverty Guidelines .pdf, 7. Ramlawi amendment 2021 poverty resolution.pdf, 8. Memorandum - staff recommendation DC-1 2021 Poverty Resolution.pdf, 9. Income Levels 2021 Poverty Amendments.pdf, 10. Affordable Housing 2020-Income-Limits.pdf

Date	Ver.	Action By	Action	Result
1/19/2021	3	City Council		
1/19/2021	4	City Council		
1/19/2021	4	City Council	Amended	Pass
1/19/2021	4	City Council	Approved as Amended	Pass
1/19/2021	4	City Council	Amended	
12/21/2020	3	City Council		
12/21/2020	3	City Council	Postponed	Pass

Resolution to Adopt the Board of Review Guidelines for Poverty Exemptions from Property Taxation of Principal Residence Pursuant to MCL 211.7u

Attached for your approval is a resolution to adopt the Board of Review Guidelines for Poverty Exemptions pursuant to MCL 211.7u. Local governing bodies may adopt guidelines that set income levels for their poverty exemptions from taxes of principal residences at levels higher than the federal guidelines. MCL 211.7u also requires local governing bodies to identify in their guidelines specific income and asset level limitations of both the applicant and the household (“asset test”).

Approval of the revised Board of Review Guidelines (which are attached) will further define the definition of a Poverty Exemption, maintain the existing maximum \$50,000 asset level test, set the income limits not to exceed 2.2 times the U.S. Department of Health and Human Services for each person in the household, which is annually published by the Michigan State Tax Commission. If Council approves the revision, the Board of Review will implement the changes for the 2021 tax year.

..Staff

Prepared by: Jerry Markey, Assessor

Reviewed by: Matthew V. Horning, Interim Financial Services Area Administrator and CFO

Approved by: Tom Crawford, City Administrator

..Body

Whereas, MCL 211.7u allows the principal residences of persons who, in the judgment of the Board of Review, by reason of poverty, are unable to contribute toward the public charges be eligible for exemption in whole or in part from taxation under this act;

Whereas, MCL 211.7u(2)(e) set the income guidelines to meet the Federal poverty income standards or alternative guidelines adopted by the governing body of the local assessing unit provided those guidelines are not less than the Federal guidelines; and

Whereas, The City Council last approved the series of guidelines in 2020 developed by the Ann Arbor City Assessor and Board of Review which conformed to MCL 211.7u;

RESOLVED, That City Council adopt the attached revised Poverty Exemption Guidelines for 2021 for the Ann Arbor Board of Review to implement, which establishes minimum poverty income levels not to exceed 2.2 times the Federal Poverty Income Standards as annually determined by the U.S. Department of Health and Human Services for each person in the household and increase the existing asset test to \$50,000. These guidelines shall supersede any previously adopted Poverty Exemption Guidelines.

As Amended and Approved by Ann Arbor City Council on January 19, 2021