



# CITY OF OTSEGO

Otsego MI 49078

269-692-3391

269-692-2643 (F)

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Commissioner Milhiem offered the following resolution and moved for its adoption, seconded by Commissioner McNeese.

CITY OF OTSEGO  
ALLEGAN COUNTY, MICHIGAN  
RESOLUTION NO. 2021-05

A Resolution to Establish 2021 Poverty Exemption Policy

**WHEREAS**, the annual adoption of guidelines for poverty exemptions is required of the City Commission; and

**WHEREAS**, the principal residence of persons, who the City Assessor and Board of Review determines by reason of poverty to be unable to contribute to the public charge, is eligible for 100 percent exemption from taxation under Public Act 390 of 1994 (MCL 211.7u); and

**WHEREAS**, pursuant to PA 390 of 1994, the City of Otsego, Allegan County adopts the following guidelines for the Board of Review to implement. 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, including any property tax credit returns, filed in the current or immediately preceding year;

To be eligible, a person shall do all the following on an annual basis:

- 1) Be an owner of and occupy as a principal residence the property for which an exemption is requested.
- 2) File a claim with the supervisor/assessor or Board of Review, 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 or a signed State Tax Commission Form 4988, *Poverty Exemption Affidavit*.
- 3) File a claim reporting that the combined assets of all persons does not exceed \$25,000. Assets include but are not limited to, real estate other than the principal residence, personal property, motor vehicles, recreational vehicles and equipment, certificates of deposit, savings accounts, checking accounts, stocks, bonds, life insurance, retirement funds, etc.
- 4) Produce a valid driver's license or other form of identification if requested.
- 5) Produce, if requested, a deed, land contract, or other evidence of ownership of the property for which an exemption is requested.
- 6) Meet the federal poverty income guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services or alternative guidelines adopted by the governing body providing the alternative guidelines do not provide eligibility requirements less than the federal guidelines. The

annual allowable income includes income for all persons residing in the principal residence

- 7) The application for an exemption shall be filed after January 1, but one day prior to the last day of the December Board of Review. The filing of this claim constitutes an appearance before the Board of Review for the purpose of preserving the right of appeal to the Michigan Tax Tribunal.

**2020 Federal Poverty Guidelines Used in the Determination of Poverty Exemptions**

Size of Family Unit	Poverty Guidelines
1	\$ 12,760
2	\$ 17,240
3	\$ 21,720
4	\$ 26,200
5	\$ 30,680
6	\$ 35,160
7	\$ 39,640
8	\$ 44,120
For each additional person	\$ 4,480

***NOW, THEREFORE, BE IT HEREBY RESOLVED*** that the Board of Review shall follow the above stated policy, state and federal guidelines in granting or denying an exemption. In accordance with statute, the exemption may be granted consecutively with no limitations.

***NOW, THEREFORE, BE IT FURTHER RESOLVED*** that this resolution and guidelines supersedes all previous resolutions and/or guidelines.

YEAS: Commissioners: Brent Milhiem, Dustin McNees, Stacey Withee, Lauri Krueger.

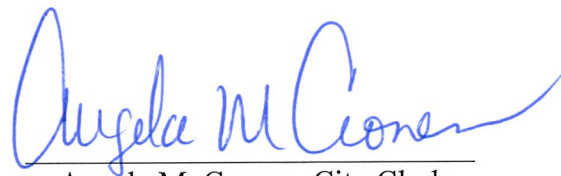
NAYS: Commissioners: None.

ABSTAIN: Commissioners: None.

ABSENT: Commissioners: Cyndi Trobeck.

RESOLUTION DECLARED ADOPTED.

Dated: February 1, 2021

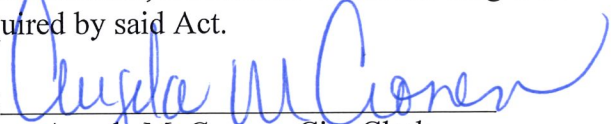


Angela M. Cronen, City Clerk

CERTIFICATE

I, Angela M. Cronen, the duly appointed clerk of the City of Otsego do hereby certify the foregoing is a true and complete copy of a resolution adopted by the Otsego City Commission at a regular meeting held Monday, February 1, 2021, in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, the minutes of the meeting were kept and will be or have been made available as required by said Act.

Attest:



Angela M. Cronen, City Clerk