



## 2026 POVERTY EXEMPTION POLICY, GUIDELINES AND APPLICATION

### Policy Overview:

Section 211.7u(1) of the Michigan General Property Tax Act provides for the principal residence of persons who, in the judgement of the board of review, by reason of poverty, is unable to contribute toward the public charges is eligible for exemption in whole or in part from the collection of taxes under this act.

On December 17, 2025, the Macomb Township Board of Trustees adopted, by Resolution, the Poverty Exemption Policy, Guidelines and Application. The Board of Review shall follow Macomb Township's policy when granting or denying an exemption. If a person meets all eligibility requirements, the Board of Review must grant a full exemption equal to a 100% reduction in taxable value or a partial exemption equal to a 75%, 50% or 25% reduction in taxable value.

The form may be submitted on or after January 1<sup>st</sup> but before the day prior to the last day of the December Board of Review during the year in which the exemption is requested. A taxpayer may file a poverty exemption with the March, July or December Board of Review. A taxpayer who files for a poverty exemption at the March Board of Review is not prohibited from also appealing the assessment on the property for which the claim is made. A taxpayer may appeal a poverty exemption denial to the Michigan Tax Tribunal by July 31<sup>st</sup> if appealing at the March Board of Review and within 35 days of the July or December Board of Review decision.

### Guidelines and Requirements

- Applicants must own and occupy the property as their principal residence. The property cannot be owned by a business entity.
- Applicants must provide a driver's license or other acceptable identification, for all persons in the household not identified as dependents on income tax returns.
- If applicant is not listed as owner on township records, a copy of the land contract, deed or other evidence of ownership is needed.
- Applicants must file a complete application which includes Form 5737 *Application and Affirmation for MCL 211.7u Poverty Exemption* along with all required and requested tax returns and documentation. (See attached checklist)
- Form 4988 *Poverty Exemption Affidavit* for persons not required to file federal or state income tax returns
- Applicants must meet the Asset and Income guidelines adopted by the Macomb Township Board of Trustees (see Resolution for complete details)
- Applicant must meet the Federal Poverty Income Guidelines or alternative guidelines adopted by the Macomb Township Board of Trustees. (see Resolution for complete details)
  - Applicants will not be eligible for consideration if they do not meet the current income limit standards developed by the Federal Poverty Guidelines multiplied by a rate of 135% (1.35). For 2026, the limits are:
    - A family of 1 – shall make no more than \$ 21,127 a year
    - A family of 2 – shall make no more than \$ 28,552 a year
    - A family of 3 – shall make no more than \$ 35,977 a year
    - A family of 4 – shall make no more than \$ 43,402 a year
    - A family of 5 – shall make no more than \$ 50,827 a year
    - A family of 6 – shall make no more than \$ 58,252 a year
    - A family of 7 – shall make no more than \$ 65,677 a year
    - A family of 8 – shall make no more than \$ 73,102 a year
    - For each additional person add \$7,425

**Applicants must annually submit copies of the following forms for all persons residing in the homestead, filed in the immediately preceding year or in the current year:**

1. A fully completed and signed Application and Affirmation for MCL 211.7u Poverty Exemption (Form 5737)
2. Federal Income Tax Return - 1040 or 1040A
3. State of Michigan Income Tax Return (MI-1040)
4. Form 4988 *Poverty Exemption Affidavit* for persons not required to file federal/state returns
5. Michigan Homestead Property Tax Credit Claim (MI-1040CR)
6. W-2 Forms for all household members
7. Social Security Statements (SSA-1099) for all household members
8. Complete bank statements for immediate preceding 6 months for all checking & saving accounts
9. Proof of all sources of income not included on the W-2 forms, including any check stubs or receipts from contributions by relatives or other persons living in the household, or from State or Federal Government checks
10. Current year mortgage verification showing loan balance plus principal and interest payment amounts
11. Current full credit reports for all persons residing in the household
12. Statements for all household expenses and debt payments for immediate preceding 6 months
13. A valid Michigan driver's license or other legal photo identification that indicates property address for all persons in the household
14. Copy of State of Michigan Registration for all vehicles
15. Copy of deed, land contract, or other evidence of ownership for the property the exemption is requested.

Applications will be reviewed by the Board of Review prior to the applicant being present. However, the Board requires that the applicant(s) be physically present at a Board of Review hearing to respond to any questions the Board of Review might have. Handicapped or disabled applicants may call the Assessing Department at (586) 992-0710 ext. 2269 to make necessary arrangements for assistance.

The applicant may have to answer questions from the Board regarding financial affairs, health, and the status of people living in their home, at a meeting which is open to the public at large.

All Poverty Exemptions are reviewed on an individual basis for the current assessment year. Poverty Exemptions are granted or denied for one year only. Per Township Resolution, additional years must be reapplied for annually, if the applicant still meets all guidelines and files all required documents.

***Failure to meet the requirements, or an incomplete application, will result in a denial of the poverty exemption.***

**Please review the entire RESOLUTION TO ADOPT THE POVERTY EXEMPTION POLICY, INCOME GUIDELINES AND ASSET TEST for complete rules and instructions.**