

## Vassar Township 2026 Income and Asset Guidelines for Poverty Exemption

Overview: Section 211.7u of the Michigan General Property Tax Act provides for a property tax exemption, in whole or part, for the principal residence of persons who, by reason of poverty, are unable to contribute to the public charges.

Vassar Township Board of Trustees adopts a policy which includes an asset and income test. The Board of Review shall follow the policy of the local assessing unit in granting or denying an exemption. If a person meets all eligibility requirements, then the Board of Review shall grant a full exemption equal to a 100% reduction in taxable value or a partial exemption equal to a 25%, 50%, or 75% reduction in taxable value.

Per Resolution 25-01 made at the December 2025 Board of Trustee Meeting Poverty Exemptions can only be filed at the December Board of Review meeting. The meeting date Poverty Exemptions can be heard for the 2026 tax season is; December 15th, 2026. A taxpayer may appeal a poverty exemption denial to the Michigan Tax Tribunal.

Requirements to apply for Poverty:

1. The applicant must own and occupy as their principal residence the property for which the exemption is being claimed. The property cannot be owned by a business entity.
2. The applicant must file a fully complete application which includes Forms 5737 and 5739 and all required and requested tax returns and documentation – see attached list.
3. The applicant must meet the "Income Guidelines" which are the federal poverty guidelines updated annually by the United States Department of Health and Human Services.
4. The applicant must meet the "Asset Guidelines" as approved by the Vassar Township Board of Trustees.

Income Guidelines:

The income guidelines shall include, but are not limited to, the specific income for the person claiming the exemption and should also include anyone else who is residing there. Meeting the income level of the Township policy does NOT guarantee the approval of a poverty exemption. Both income and assets are reviewed by the Board of Review in the decision-making process.

The applicant must meet the income eligibility guidelines as defined and determined by Public Act 390 of 1994. These guidelines are adjusted annually as established by said Act. Following are the federal standards as of November 18th, 2025 for household income

deemed to be at the poverty threshold. For use in setting poverty exemption guidelines for 2026 assessments. In order to qualify for tax relief, the applicant’s household income from all sources must be at or below the following amounts:

Size of Family Unit	Poverty Guidelines 100%	75%	50%	25%
1	\$15,650	17,215	18,780	20,345
2	\$21,150	23,265	25,380	27,495
3	\$26,650	29,315	31,980	34,645
4	\$32,150	35,365	38,580	41,795
5	\$37,650	41,415	45,180	48,945
6	\$43,150	47,465	51,780	56,095
7	\$48,650	53,515	58,380	63,245
8	\$54,150	59,565	64,980	70,395

For each additional person add \$5,500

➤ Meeting the income levels above, but failing the asset portion of the exemption, will result in a denial of the poverty exemption.

Income includes:

- Money, wages, salaries before deductions, and regular contributions from persons not living in the residence
- Net receipts from non-farm and farm self-employment (receipts from a person’s own business, professional enterprise, or partnership, after business expense deductions)
- Regular payments from social security, railroad retirement, unemployment, worker’s compensation, veteran’s payments, public assistance, and supplemental security income (SSI)
- Alimony, child support, military family allotments
- Private and governmental retirement and disability pensions, regular insurance, annuity payments
- College or university scholarships, grants, fellowships, and assistantships
- Dividends, interest, and net income from rentals, royalties, estates, trusts, gambling or lottery winnings

## Asset Guidelines Used in the Determination of Poverty Exemptions for 2026

As required by PA 390 of 1994, all guidelines for poverty exemptions as established by the governing body of the local assessing unit SHALL include an asset level test.

The purpose of an asset test is to determine the resources available: Cash, fixed assets or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. The value of the principal residence is not included in the asset test.

The following asset test shall apply to all applications for poverty exemption:

- The applicant's household shall not have "liquid" (cash) assets in excess of \$7,500,  
AND
- The applicant's household shall not have total assets (cash and non-cash assets – see list below) in excess of \$20,000.

Household assets greater than what is stated above will result in a denial of the poverty exemption, even if the applicant meets the Income Guideline. The Board of Review may deny any application if the assets are not properly identified.

Cash and other non-cash assets considered may include but are not limited to:

- Bank Accounts
- Stocks and bonds, pensions, IRAs and other investment accounts
- Withdrawals of bank deposits and borrowed money
- Gifts, loans, lump-sum inheritances and one-time insurance payments
- Money received from the sale of property such as stocks, bonds, a house or a car (unless a person is in the specific business of selling such property)
- Second home, rental property, or building/property other than the residence
- Excess or vacant land
- Extraordinary automobiles
- Recreational vehicles such as campers, motor-homes, boats and ATV's
- Equipment or other personal property of value
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms

Applicants are asked to provide completed checklist with their completed application:

- Please submit copies only, not originals. Anything submitted will not be returned.
- If one of the items below does not apply, please write "N/A" (not applicable) to indicate the applicant does not have anything to provide for that item.
- This checklist must be returned with the application forms.
  
- W-2 or 1099, or any final value statement used for income taxes for all income sources for the past year.
- Copy of both Federal and State income tax returns.
- If any of the applicants are not required to file a Federal or State Income Tax return, Form 4988, Poverty Exemption Affidavit (attached) must be provided for ALL persons that are not required to file income tax.
- Receipts of current bills that you list on the application, including any bills that may be overdue.
- Any delinquent tax bills.
- Most recent mortgage verification showing balance of loan plus principal and interest payment amounts.
- Bank and/or credit union monthly statements for the prior 12 months (as of the date of application) of ALL checking and savings accounts.
- Most recent statement from SSI or any other form of government assistance (e.g. bridge card, FIA, etc.) if applicant or anyone in the household is receiving benefits.
- Copy of driver's license or State ID of anyone listed on the property as having ownership.
- Any stock and bond statements.
- Child Support payment statement.
- Alimony payment statement
- State of Michigan car registration for all vehicles.
- List of regular contributions OR gifts OR loans from persons not living in the residence (in the last 24 months).
- List of money received from the sale of property such as stocks, bonds, a house, or a car (in the last 24 months).
- List and current value of other property currently owned by applicant (includes but not limited to vacant land, second home, rental property, building/property other than the residence).

## Application and Affirmation for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township where the property is located in each year on or after January 1 but before the day prior to the last day of the board of review. Poverty Exemptions may be heard by the Board of Review during its March, July, and December sessions.

**To be considered complete, this application must:** 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

<b>PART 1: PERSONAL INFORMATION</b> — Petitioner must list all required personal information.				
Petitioner's Name			Daytime Phone Number	
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents	
Property Address of Principal Residence		City	State	ZIP Code
<b>PART 2: REAL ESTATE INFORMATION</b>				
List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.				
Property Parcel Identification Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
<b>PART 3: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS</b> (Check all boxes that apply.)				
<input type="checkbox"/> I own the property in which the exemption is being claimed. <input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.				
<b>PART 4: ADDITIONAL PROPERTY INFORMATION</b>				
List information related to any other property owned by you or any member residing in the household.				

<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property	
1	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid
2	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid

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<b>PART 5: EMPLOYMENT INFORMATION</b> — List your current employment information.			
Name of Employer			
Address of Employer	City	State	ZIP Code
Contact Person	Employer Telephone Number		

<b>PART 6: INCOME SOURCES</b>	
List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.	
<b>Source of Income</b>	<b>Monthly or Annual Income</b> (indicate which)

<b>PART 7: CHECKING, SAVINGS AND INVESTMENT INFORMATION</b>				
List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.				
<b>Name of Financial Institution or Investments</b>	<b>Amount on Deposit</b>	<b>Current Interest Rate</b>	<b>Name on Account</b>	<b>Value of Investment</b>

<b>PART 8: LIFE INSURANCE</b> — List all policies held by all household members.
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Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

**PART 9: MOTOR VEHICLE INFORMATION**

All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

Continue  
on Page  
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**PART 10: HOUSEHOLD OCCUPANTS** — List all persons living in the household.

First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

**PART 11: PERSONAL DEBT** — List all personal debt for all household members.

Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed


**PART 12: MONTHLY EXPENSE INFORMATION**

The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.

Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare	Car Expense (gas, repair, etc.)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

Continue and sign on Page 4 **NOTICE:** Per MCL 211.7u(2)(b), 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 must be submitted with this application. 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.

**PART 13: POLICY AND GUIDELINES ACKNOWLEDGMENT**

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

**PART 14: LEGAL DESIGNEE INFORMATION (Complete if applicable.)**

Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code
<b>PART 15: CERTIFICATION</b>			
I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.			
Printed Name	Signature	Date	

**This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.**

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**Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 30 days of decision. A copy of the Board of Review decision must be included with the petition.**

Michigan Tax Tribunal  
PO Box 30232  
Lansing MI 48909

Phone: 517-335-9760  
Email: [taxtrib@michigan.gov](mailto:taxtrib@michigan.gov)