

NOTTAWA TOWNSHIP

**2020 HARDSHIP EXEMPTION POLICY AND GUIDELINES**

**General Information:**

1. The hardship exemption for property taxes under MCL 211.7u is granted on an annual basis. An applicant must submit a new application each year in order to retain eligibility.
2. The hardship exemption is only available for a property used as a principal place of residence (homestead).
3. The hardship exemption is calculated based on the number of “household members” in the applicant’s residence, which includes any person listed on the deed, or residing in the residence on a full time basis, or any person who could be claimed as a dependent of the applicant on the current year’s federal tax return.
4. The Board of Review has discretion to review the totality of an applicant’s circumstances and grant or deny an exemption based on substantial and compelling reasons not accounted for in these guidelines.

**Exemption Eligibility and Calculation:**

1. The Board of Review shall determine eligibility and calculate the amount of hardship exemptions based on the policy and guidelines provided herein, unless it determines that there is a substantial and compelling reason for deviation. The Board of Review may deviate by granting an exemption based on substantial and compelling reasons such as extraordinary medical expenses. It may also deviate by denying an exemption for substantial and compelling reasons such as in situations where: (i) the applicant is prioritizing non-essential expenses over property taxes; (ii) without valid explanation, the applicant’s reported income is repeatedly lower than apparent expenses; or (iii) the applicant has received repeated exemptions for a home with higher value than the applicant’s income supports. The reasons for any deviation shall be communicated to the applicant in writing.
2. Assets must be listed. The Board has set an asset level test at \$15,000.
3. Hardship exemptions shall be calculated based on the “available funds” for the applicant’s household, which is defined to include the projected household income for the current tax year plus any household assets. The following eligibility table is used in the calculation:

**2020 Federal Poverty Standards** \* Guidelines adopted by the Nottawa Township Board on December 16, 2019.

Size of household	Household Income
1	\$12,490
2	\$16,910
3	\$21,330
4	\$25,750
5	\$30,170
6	\$34,590
7	\$39,010
8	\$43,430

For Each additional person + \$4,420

\* Hardship Standards taken from the Federal Income Eligibility Guidelines

4. If total incomes for the applicant’s household fall below the federal poverty standards, and the applicant meets the asset test, the applicant shall be given a full exemption (\$0 in property taxes).
5. The denial of a hardship exemption application may be appealed to the Michigan Tax Tribunal.