

**CITY OF HOUGHTON
RESOLUTION 2026-1998**

Resolution to Adopt Poverty Exemption Income Guidelines and Asset Test

WHEREAS, the homestead of persons who, in the judgment of the assessor and board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under the General Property Tax Act; and

WHEREAS, the council is required by Section 7u of the General Property Tax Act, Public Act 206 of 1893 (MCL 211.7u), to adopt guidelines for poverty exemptions on an annual basis;

NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that the City of Houghton, adopts the following guidelines for the assessor and 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 homestead the property for which an exemption is requested.
- 2) File a claim with the assessor or board of review, accompanied by federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns filed in the immediately preceding year or in the current year.
- 3) Produce a valid drivers' license or other form of identification if requested.
- 4) Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
- 5) Meet the federal poverty income guidelines as defined and determined annually by the United States Office of Management and Budget. The 2026 income guidelines are:

<u>Size of Household</u>		<u>Federal Guideline</u>
1	\$	15,650
2	\$	21,150
3	\$	26,650
4	\$	32,150
5	\$	37,650
6	\$	43,150
7	\$	48,650
8	\$	54,150
Additional Person	\$	5,500

- 6) Meet additional eligibility requirements as determined by the council, including: a maximum asset value of \$50,000 not counting the applicant's homestead.

BE IT ALSO RESOLVED that the board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption. PA 253 of 2000 made changes related to granting a full or partial poverty exemptions. MCL 21.7u(5) states that if a person claiming the poverty exemption meets all the eligibility requirements, the board of review shall grant the exemption as follows: The board of review shall grant a full exemption equal to a 100% reduction in taxable value for the year in which the exemption is granted.

The foregoing resolution offered by Councilor Cole and supported by Councilor Megowen.

Yes: Cole, Megowen, Needham, Irizarry, Waddell, Foltz

No: None

Absent: Mayor Backen

Resolution Adopted January 14, 2026

CERTIFIED

Amy Zawada
Amy Zawada, Clerk