

**Charter Township of Hampton**  
**2026 Poverty Exemption Income Guidelines and**  
**Asset Test Resolution**

BOT approved 12-1-25

WHEREAS, the General Property Tax Act, MCL 211.7u, states that the homestead of persons who, in the judgment of the supervisor 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, a township board is required by MCL 211.7u to adopt guidelines for the poverty exemption; NOW, THEREFORE, BE IT HEREBY RESOLVED, pursuant to MCL 211.7u, that The Charter Township of Hampton adopts the following guidelines.

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.

To be eligible for exemption under this section, a person must do all the following on an annual basis.

1. Own and occupy as a principal residence the property for which an exemption is requested. The person shall affirm this ownership and occupancy status in writing by filing a form prescribed by the state tax commission with the local assessing unit.
2. File a claim with the board of review on a form prescribed by the state tax commission and provided by the local assessing unit, 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. 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, and an affidavit in a form prescribed by the state tax commission may be accepted in place of the federal or state income tax return.
3. Produce a valid driver license or other form of identification if requested by the supervisor or board of review.
4. Provide Form 5739, Affirmation of Ownership and Occupancy to remain exempt by reason of poverty.
5. Meet the federal poverty income guidelines as defined and determined annually by the United States Office of Management.

## FEDERAL PROVERTY GUIDELINES USED IN THE DETERMINATION OF POVERTY EXEMPTIONS

Size of Family Unit	2026 Poverty Guidelines
1	\$ 15,650
2	\$ 21,150
3	\$ 26,650
4	\$ 32,150
5	\$ 37,650
6	\$ 43,150
7	\$ 48,650
8	\$ 54,150
For each additional person	\$ 5,500

Potential income and asset sources are (non-inclusive):

Income from all sources	Interest and dividends
Salaries & wages before deductions	Pensions
Net receipts from self-employment	Supplemental Security Income
Veteran payments	Net rental income
Royalties	Scholarships & grants
Unemployment compensation	Insurance
Workers' compensation	Retirement accounts
Alimony	Child support
General assistance	IRA/Keogh annuities
Social Security	New or reverse mortgages
Cash	Stocks & bonds
Checking & savings accounts	Investments
Money market accounts	Gifts
Assets in trust accounts	Deferred compensation

### Asset Test

1. Things of value that a person can own and are exempt from consideration in determining eligibility for a poverty exemption.
  - a. Applicant's principal residence
  - b. One motor vehicle per working adult
  - c. Essential household goods
  - d. Personal assets of any nature with a total value up to \$10,000.
  
2. Things of value that the Board of Review can consider in determining what percent exemption to grant:
  - a. Real estate other than the principal residence
  - b. Personal property, jewelry, antiques, artwork, coin collections, etc.
  - c. Motor vehicles in excess of one per working adult including motorcycles
  - d. Recreational vehicles, RVs, campers, boats and equipment
  - e. Certificate of deposits, savings accounts, checking accounts, stocks, bonds, life insurance, and retirement funds, etc.

3. The Board of Review shall consider the value of the assets, or indebtedness otherwise owned by the applicant. Assets (except those that are exempt from consideration as listed above), shall not exceed Ten Thousand Dollars (\$10,000).

### **Evaluation Procedures**

1. The Board of Review shall follow the above policy and guidelines when making poverty exemption decisions.
2. The applicant should be prepared to answer questions regarding their financial affairs, health, status of people living in the household, and any other questions relevant to the exemption request.
3. All information is subject to verification.

BE IT ALSO RESOLVED that the board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption.