

Sec. 2-193. - Poverty exemption.

(Ord. 19-156.03, Pt. I, 3-5-19)

Sec. 2-193.1. - Application for exemption.

- (a) All persons seeking a poverty exemption pursuant to MCL 211.7u shall file an application for exemption with the City of Novi Board of Review. Application for poverty exemption forms shall be in the form approved by the State of Michigan.
- (b) Applications for poverty exemption forms must be obtained from the city assessor's office.
- (c) All applications for poverty exemption shall be for the current year only and must be filed with the city assessor's office after January 1.
- (d) All applications for poverty exemption shall be completely and correctly filled out, dated and signed by the applicant. All applications for poverty exemption filed with the board of review shall be accompanied by all documents and information required by section 2-193.2.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21)

Sec. 2-193.2. - Eligibility requirements for poverty exemption.

To be eligible for a poverty exemption pursuant to MCL 211.7u, a person shall, for each year an exemption is sought:

- (1) Be an owner of and occupy as a principal residence as defined by MCL 211.7dd(c) as amended the property for which a poverty exemption is requested.
- (2) Complete, sign, date and file an application provided by the city assessor for poverty exemption with the City of Novi Board of Review.
- (3) Submit the following with the application for poverty exemption:
  - a. The 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; and
  - b. A copy of a deed, land contract or other evidence of ownership of the property for which a poverty exemption is requested.
  - c. Any other documents required by the application.
- (4) Produce a valid driver's license or other form of identification if requested to do so by the city assessor or the board of review.
- (5) Have a total household income for the prior calendar year, for all persons who reside in the principal residence property for which a poverty exemption is sought, that does not exceed two (2) times the Federal Poverty Guidelines updated annually in the Federal Register by the

United States Department of Health and Human Services.

(6) Have total assets not exceeding the amounts prescribed by section 2-193.7.

(7) The application shall be filed after January 1.

(Ord. No. 95-156, Pt. I, 3-6-84; Ord. No. 03-156-02, Pt. I, 3-3-03; Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21)

Sec. 2-193.3. - Income defined.

Income shall include, but not be limited to, the following:

- (1) Gross wages and salaries, including those amounts deferred as pre-tax deductions under applicable federal statutes.
- (2) Net receipts from non-farm self-employment. These are receipts from a person's own business, professional enterprise, or partnership, after deductions for business expenses.
- (3) Net receipts from farm self-employment. These are receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses.
- (4) Any payments from social security, railroad retirements, unemployment compensation, strike benefits from union funds, workers compensation, veterans payments, public assistance (including aid to families with dependent children, supplemental security income, emergency assistance money payments and non-federally funded general assistance or general relief money payments).
- (5) Alimony, child support and military family allotments or other regular support from an absent family member or someone not living in the household.
- (6) Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments.
- (7) College or university scholarships, grants, fellowships and assistantships.
- (8) Dividends, interest, net rental income, net royalties, periodic receipts, or payments of any kind from estates or trusts, and net gambling or lottery winnings.
- (9) Payments made by any entity to a third party on behalf, or for the benefit, of the person(s) in the household.
- (10) Money received from the sale of property, including, but not limited to stocks, bonds, real property, and vehicles.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. No. 03-156.02, Pt. I, 3-3-03; Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21)

Sec. 2-193.4. - Board of review may require claimant's presence.

The board of review may consider a poverty exemption application without the claimant being present. However, the board may require that any or all claimants be physically present at a meeting of the board of review to respond to any questions of the board of review.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21)

Sec. 2-193.5. - Reserved.

**Editor's note**— Ord. No. 21-156.04, Pt. I, adopted July 12, 2021, amended §§ 2-193.1—2-193.6. In doing so, and at the direction of the city, § 193.5, which pertained to additional factors for granting an exemption and derived from Ord. No. 95-156, Pt. I, adopted March 6, 1995; Ord. No. 95-156.01, Pt. I, adopted March 9, 1995; Ord. No. 03-156.02, Pt. I, adopted March 3, 2003; and Ord. 19-156.03, Pt. I, adopted March 5, 2019, was repealed.

Sec. 2-193.6. - Guidelines to be uniformly applied.

The board of review shall uniformly apply the provisions of this chapter, to each applicant for a poverty exemption and so that a twenty-five (25) percent, fifty (50) percent or one hundred (100) percent exemption is granted.

(Ord. No. 95-156, Pt. I, 3-6-95; Ord. No. 03-156.02, Pt. I, 3-3-03; Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21; Ord. No. 22-156.05, Pt. I, 3-14-22)

**Editor's note**— Ord. No. 22-156.05, Pt. I, adopted March 14, 2022, amended § 2-193.6 and in doing so changed the title of said section from "Guidelines to be uniformly applied; exceptions" to "Guidelines to be uniformly applied," as set out herein.

Sec. 2-193.7. - Asset test

- (a) The following asset tests shall be applied to determine qualification for poverty exemption:
  - (1) The applicant/owner shall not have "liquid" assets (excluding the value of the principal residence subject to the exemption request) in excess of two (2) times the amount of the estimated tax obligation of the current assessment; and/or
  - (2) The applicant/owner shall not have total assets (excluding the value of the principal residence subject to the exemption request) in excess of ten (10) times the amount of the estimated tax obligation of the current assessment.
- (b) All asset information, as requested in the application for poverty exemption must be completed in total. The board of review may request additional information and verification of assets if they determine it to be necessary and may reject any application if the assets are not properly identified.

- (c) Liquid assets may include, but are not limited to: bank accounts, stocks and bonds, investment and/or brokerage accounts, IRAs and other retirement savings accounts (e.g. 401k accounts), pensions, and money received from the sale of property such as stocks, bonds, or real property.
- (d) Total assets may include, but are not necessarily limited to: all liquid assets as described in (c) above, other real property including, but not limited to: a second home, excess or vacant land, rental property, and commercial properties; vehicles including recreational vehicles (snowmobiles, boats, camping trailers, travel trailers, motor homes, jet skis, motorcycles, off-road vehicles, or anything else which may be considered a recreational vehicle); buildings other than the principal residence; equipment; and other personal property.

(Ord. 19-156.03, Pt. I, 3-5-19; Ord. No. 21-156.04, Pt. I, 7-12-21)