

ASSESSOR'S OFFICE

Pokagon Township

Cass County, MI

**Policy and Application for Exemption from Property Taxes**

The following policy and application for exemption from property taxes was adopted by the Pokagon Township Board on January 11, 2023 and given immediate effect.

**Availability.** Copies of this policy are available from the Township Assessor and on the township's website at [www.pokagontownship.org](http://www.pokagontownship.org)

**Purpose:** The purpose of this Policy is to provide direction for application for property tax exemptions; as well as to assure tax exempt property owners that they need not make an annual reapplication for tax exempt status. Rather, the Township Assessing Officer is directed to make an annual internal review as to the continued tax-exempt status of properties with previously-approved tax exemptions. Additionally, the Township Board finds that the self-reporting provisions should be contained in this policy and that the same are deemed to benefit both the township and the property owner by assuring that an annual reapplication for tax exempt status is not required but while still requiring the property owner to self-report changes affecting the tax-exempt status to the assessor. Finally, the Township Board wishes to ensure tax exempt property owners that the assessor is available and willing to discuss any proposed revocation/denial or diminution of tax-exempt status such that facts may be clearly established before decisions are made.

**Policy:** To request a property tax exemption you must file this application along with copies of documents listed on page 5. Property must be owned and used for the stated exemption purpose as of December 31 of the year prior to the year for which exemption is claimed. Application must be received by the Assessor's Office by no later than February 15 of the year in which this exemption is being sought. Your application may be on the attached forms or you may use an alternate equivalent format.

**Criteria:** The following is the general three-part test that Michigan Courts have established to determine if a property is exempt:

- (1) The real estate must be owned and occupied by the exempt claimant; and
- (2) The exemption claimant must be a religious, library, benevolent, charitable, educational or scientific institution; and
- (3) The exemption only exists when the buildings or other property thereon are occupied by the claimant solely for the purpose for which it was incorporated, or as further limited by the applicable statute.

Approval of the exemption request is further limited to meeting all criteria set forth in State Statute and as further defined in Michigan court decisions. We will use these criteria to determine your tax status.

**Effect Of Approval:** If approved for tax exempt status, such status will be annually audited by the Township's Assessor to determine if any changes have been made which would change the status of the exemption.

**Self-Reporting Requirement:** Any change in information used by an applicant to support an exemption shall be immediately brought to the attention of the assessing officer. Further, the Assessor may request any other relevant information with regard to continued exemption.

**Removal Of Exemption/Notice:** If the Assessor has evidence that the property no longer qualifies for the exemption, the exemption shall be removed and the taxpayer shall be notified and provided with documentation regarding appeal rights. The same will be true in the absence of supporting documentation from the taxpayer that the exemption should be continued. Property owners with inquiries regarding removal of exemption or partial removal of exemption are encouraged to address them with the assessor directly and to utilize the Township's Board of Review, if necessary, in order to resolve the situation.

## **DOCUMENTS REQUESTED**

Processing this exemption request application is facilitated by your providing copies of as many of the following documents as possible:

- 1) Articles of incorporation and all amendments, which should include the following information:
  - a. The names of directors of the corporation
  - b. Whether the applicant operates on a profit or non-profit status
  - c. The purpose of corporation
  - d. A copy of the articles of incorporation
  - e. Assumed name(s), if applicable, along with the name of governmental agency where the assumed name is recorded with
  - f. A copy of the annual non-profit corporation report or for organizations other than corporations, and the most recent balance sheet.
- 2) Exemption applicant entity's "By Laws" and "Constitution," if these items exist.
- 3) Evidence of ownership of (or interest in) subject property
  - a. Transfer instrument to applicant; typically warranty deed or land contract
  - b. Lease
- 4) Governmental approval/certification (if applicable) to operate for stated purpose
  - a. IRS exemption determination for assessment years in question
  - b. State/County license, if any
  - c. Township approval form: Permits \_\_\_\_\_ License \_\_\_\_\_ Other \_\_\_\_\_
  - d. License from Attorney General to solicit or receive contributions
- 5) Budget documents for either
  - a. The operation of charitable, educational, religious organization, or
  - b. The operation of real estate and/or personal property for which exemption is sought.
- 6) Signed statement as to actual use(s). If more than one use exists, please state percentage each use is to a total 100%.
- 7) Inclusive list of **ALL** salaries, fees, payments, rent, repayments of loans, etc, as well as transfers, current or deferred, from the exemption applicant to its directors, officers, consultants, agents, and/or employees.
- 8) List of all clients served that are in any way related to: any director, officers, consultant, agent and/or employees of applicant. Please include an explanation of any above relationships.