

In order to assist the State Tax Commission and the State Assessors Board in making a determination whether local units have a properly certified assessor, beginning in 2008, the State Tax Commission is requiring that all assessors file with the Commission a form that provides the Total Equivalent SEV and the Total Equivalent Industrial/Commercial SEV for their unit(s). The Commercial/Industrial SEV figures are to include values for all commercial real, industrial real, commercial personal, industrial personal and utility personal property from both the ad valorem roll and specific rolls. This form must be submitted to the State Tax Commission by April 9, 2008. The required form will be available on the State Tax Commission website by January 1, 2008.

**C. Federal Poverty Guidelines Used in the Determination of Poverty Exemptions for 2008.**

MCL 211.7u, which deals with poverty exemptions, was significantly altered by PA 390 of 1994 and was further amended by PA 620 of 2002. Please see STC Bulletin No. 5 of 1995 and page 3 of STC Bulletin No. 1 of 2003 for more detailed information.

Local governing bodies are required to adopt guidelines that set income levels for their poverty exemption guidelines and those income levels **shall not be set lower** by a city or township than the federal poverty guidelines updated annually by the U.S. Department of Health and Human Services. This means, for example, that the income level for a household of 3 persons **shall not** be set lower than \$17,170 which is the amount shown on the following chart for a family of 3 persons. The income level for a family of 3 persons may be set higher than \$17,170.

Following are the federal poverty guidelines for use in setting poverty exemption guidelines for 2008 assessments.

Size of Family Unit	Poverty Guidelines
1	\$ 10,210
2	\$ 13,690
3	\$ 17,170
4	\$ 20,650
5	\$ 24,130
6	\$ 27,610
7	\$ 31,090
8	\$ 34,570
For each additional person, add	\$ 3,480

**Note:** PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test. An asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test should calculate a maximum amount permitted and all other assets above that amount should be considered as available.