



Sandstone Charter Township

Assessor's Office

7940 County Farm Rd Parma, MI 49269

(517) 784-4712 Ext 6 assessor@sandstonetownship.org

Property Tax Poverty Exemption

Dear Homestead Property Owner:

On this page of our website you will find a document called **2026 Sandstone Poverty Exemption Policy, Guidelines & Application**. The application that you will submit begins on page 5 - **APPLICATION FOR POVERTY EXEMPTION**

Please be aware that this application must be filled out completely. The Policy and Guidelines on the first four pages (before the "Application") will help you do that. *Read them very carefully*. If the Application and supporting documents are incomplete or lacking sufficient proof of income and expenses; you may be denied the exemption.

No exemption will be granted to anyone who does not both ***own and occupy*** the applicable property as their Principal Residence.

Steps to completion: **1)** Complete the document checklist that starts on page 5; **2)** Initial the Applicant Certification blanks on page 6 and type in the name of the preparer, if other than the applicant (the Certification will be signed after the entire document is printed); **3)** Complete Form 5737; and **4)** Complete, *if applicable*, Form 4988; **5)** Print pages 5 through the end of the Application (the state forms have their own page numbering); **6)** Sign the Applicant Certification on page 6; **7)** sign Form 5737; **8)** if applicable, sign Form 4988; and **9)** Gather all required documents and either mail or hand deliver the Application and attachments to Sandstone Charter Township, 7940 County Farm Rd, Parma, MI 49269.

(No application will be accepted without all signatures, so double-check, before you submit documents, that you have signed the Applicant Certification on page 6, as well as Form 5737, and, if you do not file income tax returns, Form 4988, at the end of the application.)

Please note that the Michigan State Department of Treasury audits the Township's Assessor files.

Please contact me if you have any questions or concerns. The Township's office business hours are 9:00 am and 4:00 pm.

Sincerely,

Julie Pulling-MAAO (3) Assessor



Sandstone Charter Township

7940 County Farm Road
Parma, MI 49269
(517) 784-4712

The General Property Tax Act, (Act 206 of 1893, as amended), MCL 211.7u, provides (in part) that:

“The principal residence of a person who, in the judgment of the supervisor and board of review, by reason of poverty, is unable to contribute toward the public charges is eligible for exemption in whole or in part from the collection of taxes under this act. This section does not apply to the property of a corporation.”

On February 9, 2026, the Sandstone Township Board of Trustees adopted a Resolution establishing the following property tax Poverty Exemption, which includes an asset and income test as required by Michigan statute along with the State of Michigan required application form. If a person meets all eligibility requirements, then the Board of Review must grant a full exemption equal to a **100% reduction** in taxable value.

2026 POVERTY EXEMPTION POLICY, GUIDELINES and APPLICATION

DEADLINE FOR SUBMISSION OF POVERTY EXEMPTION APPLICATION

- For the March 2026 Board of Review, a complete application must be received by the office of the Township Assessor by March 6, 2026.
- For the July 2026 Board of Review, a complete application must be received by the office of the Township Assessor by July 21, 2026.
- For the December 2026 Board of Review, a complete application must be received by the office of the Township Assessor by December 15, 2026.

To claim a poverty exemption, the Application and **all** supporting documentation as outlined below must be submitted to the Assessor on or after January 1, 2026 but “before the day prior to the last day of the December Board of Review” (which is scheduled for December 15, 2026). Handicapped or disabled applicants may call the Assessor at (517) 784-4712 to make necessary arrangements for assistance.

A taxpayer who files for a poverty exemption at the March Board of Review is not prohibited from also filing a valuation appeal on the same property in the same year at the March Board of Review. Alternatively, a taxpayer may file a poverty exemption with the July or December Boards of Review. A taxpayer may appeal a poverty exemption denial by the Board of Review to the Michigan Tax Tribunal.

Note that a resident’s individual circumstances will determine what documents or other evidence are required for a “complete application;” therefore, be sure to submit your application well ahead of the deadline to allow adequate time for correspondence with the township Assessor regarding possible additional materials or information that you may need to submit.

General Requirements for eligibility:

The applicant must own and occupy as their principal residence (as defined in MCL 211.7dd) the property for which the exemption is being claimed. The exemption does not apply to property owned by a corporation.

The applicant must file a **fully complete** application which includes Form 5737 (see Application, below) and **all required and requested tax returns and documentation**.

The applicant must meet the "Asset Guidelines" adopted by the Sandstone Township Board of Trustees (see below), which exceed (i.e., are more generous than) the Federal Poverty Guidelines (which are the *lowest* – i.e., more difficult to meet - income thresholds allowed; see the Income Test table, below).

Failure to meet any of the above requirements will result in a denial of the poverty exemption.

Common Reasons for Denial of Poverty Exemption Application (i.e., things to double-check on your Application)

Below are common reasons (but not an exhaustive list) for why a claim for Poverty Exemption might be denied:

- Failure to fill out all areas of the Application, including "N/A" in areas not applicable to the applicant.
- Failure to include State and Federal Income taxes or property tax credit returns for current or one preceding year for all persons residing in the home. ***Please note that the "property tax credit" returns are required to be filed with this application. Property tax credit returns (such as Michigan 1040CR) can still be filed with the State of Michigan even if the applicant does not file income taxes. (If you are not required, by law, to file federal or state income tax forms, fill out Form 4988 – Poverty Exemption Affidavit, in the Application, below.)***
- Failure to sign the Application where required.
- Failure to *include* complete banking/investment/credit union account statements for all persons residing in the home.

Income Guidelines Used in the Determination of Poverty Exemptions for 2026

Per Michigan statute, local units must adopt guidelines that specify the total household income levels used to approve or deny poverty exemptions. The adopted income levels shall not be set lower than the federal poverty guidelines published in the prior calendar year in the *Federal Register* by the United States Department of Health and Human Services.

Below are the updated federal poverty guidelines; Sandstone Township has set its guidelines for establishing poverty exemptions for the 2026 assessments at 138% of (38% higher than) the federal levels (the lower the level, the more difficult it is to qualify):

Poverty Exemption Income Test for 2026

Size of Family Unit	Federal Poverty Guidelines	Sandstone Twp Multiplier	Sandstone Twp Exemption Amt
1	\$15,650	1.38	\$21,597
2	\$21,150	1.38	\$29,187
3	\$26,650	1.38	\$36,777
4	\$32,150	1.38	\$44,367
5	\$37,650	1.38	\$51,957
6	\$43,150	1.38	\$59,547
7	\$48,650	1.38	\$67,137
8	\$54,150	1.38	\$74,727
Add'l Person	\$5,500	1.38	\$7,590

Income greater than what is stated above, per household size, will result in a denial of the poverty exemption claim, even if the applicant meets the asset limit. The Board of Review may deny any application if income is not properly identified.

Per Michigan statute, the income guidelines shall include the specific income for the person claiming the exemption and all other persons living in the household.

Income considered may include, but is not limited to:

- Money, wages, salaries before deductions, and regular contributions from persons not living in the residence
- Net receipts from non-farm and farm self-employment (receipts from a person's own business, professional enterprise, or partnership, after business expense deductions)
- Regular payments from social security, railroad retirement, unemployment, worker's compensation, veteran's payments, public assistance, and supplemental security income (SSI)
- Alimony, child support, military family allotments
- Private and governmental retirement and disability pensions, regular insurance, annuity payments
- College or university scholarships, grants, fellowships, and assistantships
- Dividends, interest, and net income from rentals, royalties, estates, trusts, gambling or lottery winnings

The Michigan homestead property tax credit cannot be considered as income for purposes of the poverty exemption.

Asset Guidelines Used in the Determination of Poverty Exemptions for 2026

Per Michigan statute, all guidelines for poverty exemptions as established by the governing body of the local assessing unit *shall* include an asset level test. The purpose of an asset test is to determine the resources available to the applicant: cash, fixed assets, or other property that could be converted to cash and used to pay property taxes in the year the poverty exemption is filed. The value of the principal residence cannot be included in the asset test.

The total value of the assets of the applicant and each member of the applicant's household, combined, shall not exceed \$20,000.00.

Assets to be counted in determining eligibility for the poverty exemption include relatively liquid assets such as, but not limited to:

- Bank or credit union accounts
- Stocks and bonds, pensions, IRAs and other investment accounts
- Withdrawals of bank deposits and borrowed money
- Gifts, loans, lump-sum inheritances and one-time insurance payments
- Money received from the sale of property such as stocks, bonds, a house or a car (unless a person is in the specific business of selling such property)

Relatively *non*-liquid assets to be counted in determining eligibility for the poverty exemption include, but are not limited to:

- An ownership interest in any parcel of land other than the parcel on which the taxpayer's principal residence is located. "Ownership interest" shall include ownership in a limited liability company, partnership or corporation which has an ownership interest in land.

By Resolution of the Sandstone Charter Township Board of Trustees (see Resolution 2026-1 under Minutes tab on <https://sandstonetownship.org/>), the following assets shall **not** be counted in determining eligibility for the poverty exemption:

- The taxpayer's principal residence. including the parcel on which it is located.
- Automobiles, trucks, or recreational vehicles such as campers, motor-homes, boats, ATVs, snowmobiles, motorcycles
- Household goods such as furniture, electronics, appliances, dishes and clothing
- Jewelry, antiques, or artworks
- Equipment, tools or other personal property of value
- Federal non-cash benefits programs such as Medicare, Medicaid, food stamps and school lunches
- Food or housing received in lieu of wages and the value of food and fuel produced and consumed on farms.

The Board of Review will *not* reduce the value of assets by the amounts of any indebtedness otherwise owed by the applicant.

After filling out, printing and signing the Application below, the applicant should submit the Application and all supporting documentation (by mail or hand delivery) to Sandstone Charter Township at 7940 County Farm Road, Parma, Michigan 49269. If further documentation is required, or there are any other issues that need to be resolved, the Township Assessor will contact the applicant.

If the applicant appears before the Board of Review to provide testimony, the applicant will be administered an oath, as follows;

"Do you _____ [name of applicant] _____ swear or affirm that evidence and testimony you will give in your own behalf before this Board of Review is the truth, the whole truth, and nothing but the truth?"

[The Application for Poverty Exemption begins on the next page. Those are the pages and forms the applicant will print and submit to the Township]

APPLICATION FOR POVERTY EXEMPTION

Completely fill in **Form 5737 Application and Affirmation for MCL 211.7u Poverty Exemption** (below). If there is not room on the form for the information you need to submit, attach additional sheets.

After filling in the form, print it, sign it and submit it, with all required attachments and documents, by mail or by hand delivery to Sandstone Charter Township, 7940 County Farm Road, Parma, Michigan 49269. Be aware of the deadlines for filing (see first page, above).

If you or any person residing in the household is *not* required to file federal or state income tax returns, fill in completely, print, sign and submit **Form 4988 Poverty Exemption Affidavit** (below) for each person who is not required to file.

Required Documents to support your Application, to be submitted as attachments to the Application:

- Please submit the documents in the checklist below, including documents for applicant, spouse, and all others that are residing in the household. Note that some documents are *lists* of income or assets that the applicant would compile.
- Submit most recent statement/document unless otherwise indicated.
- Please submit copies only, not originals. Anything submitted will not be returned.

If neither the applicant nor any other person residing in the household receives income or owns an asset that the listed document refers to, the applicant *must* put "N/A" in the blank.

_____ Federal Income Tax Return (most recently filed) – fully complete, signed, and the version that was filed with the IRS*

_____ State Income Tax Return (most recently filed) – fully complete, signed, and the version that was filed with the State of Michigan*

_____ Homestead Property Tax Credit Claim (MI1040-CR, most recently filed) – fully complete, signed, and the version that was filed with the State of Michigan

**(If you are not required, by law, to file federal or state income tax forms, fill out Form 4988 – Poverty Exemption Affidavit, below.)*

_____ W-2 Statements from employer

_____ Net receipts from self-employment

_____ Social Security statement

_____ Supplemental Security Income (SSI) statement

_____ Worker's compensation statement

_____ Pension and/or disability statement

_____ Unemployment benefits statement

_____ Insurance or annuity payment statement

_____ Alimony payment statement

_____ Child support payment statement

_____ ADC / Welfare / Medicare / Medicaid / Food Stamps / Public Assistance Statements

_____ IRA, 401k, or other retirement/investment account statement

_____ Bank and/or credit union statements for all savings, checking accounts and certificates of deposit – accounts in banks, credit unions or other financial institutions. (12 consecutive months of most recent statements for all accounts)

_____ 1099 forms; K-1 forms

_____ List disclosing contributions, gifts, loans, or borrowed money received in the last 12 months by anyone living in the residence from persons not living in the residence.

_____ List of dividends, interest, and net income from real estate or personal property rentals, stock dividends, bond interest, royalties, estates, trusts, gambling or lottery winnings in the last 12 months

_____ List of money received from the sale of property such as stocks, bonds, a house, or a car in the last 12 months

_____ If you or any person living with you in your principal residence owns an interest in real property in addition to that described in Form 5737, list the current value of each interest – whether owned individually, jointly, as tenant in common, or as tenant by the entirety - other than the principal residence, including, but not limited to, vacant land, additional homes, rental property, interests in limited liability companies or partnerships owning an interest in real property.

_____ Copies of bills/receipts for all claimed expenses on Form 5737, for example: garbage removal, heat, electric, phone, internet, and other bills.

Applicant Certification

Applicant, please initial each applicable statement:

_____ I have received a copy of and understand the Sandstone 2026 Poverty Exemption Policy, Guidelines and Application.

_____ I understand my application and all required attached documentation is examined by the Board of Review at an open meeting and may be further discussed by Sandstone Township staff or its designated agent, the Board of Review, and the Michigan Tax Tribunal, and is obtainable by the public as part of the public record.

_____ I declare that the statements made herein (including those in Form 5737 and/or 4988) are complete, true, and correct to the best of my knowledge.

_____ I also understand that this application will be denied if the information contained within is found to be false or incomplete.

Applicant Signature: _____ Date: _____

Spouse Signature: _____ Date : _____

Name of preparer if other than applicant: _____
(please print)

Form 5737 Application and Affirmation for MCL 211.7u Poverty Exemption and

Form 4988 Poverty Exemption Affidavit are on the following two pages. They are pdf “fill-in” forms. You can fill them in online and then print them (and remember to sign), but submitting them online (through our website).is not currently available.

Print the entire ***Application for Poverty Exemption***, (consisting of the two instruction, checklist and certification pages, plus Form 5737 and (if applicable) Form 4988, sign where required (double-check), compile and attach all documents and lists regarding income and assets, and submit by mail or by hand delivery to Sandstone Charter Township, 7940 County Farm Road, Parma, Michigan 49269.

Be sure to submit well before the deadline to allow adequate time for correspondence with the township Assessor regarding possible additional materials or information that you may need to submit.

Application and Affirmation for MCL 211.7u Poverty Exemption

This form is issued under the authority of the General Property Tax Act, Public Act 206 of 1893, MCL 211.7u.

MCL 211.7u of the General Property Tax Act, Public Act 206 of 1893, provides a property tax exemption for the principal residence of persons who, by reason of poverty, are unable to contribute toward the public charges. This application is to be used to apply for the exemption and must be filed with the Board of Review where the property is located. This application may be submitted to the city or township where the property is located in each year on or after January 1 but before the day prior to the last day of the board of review. Poverty Exemptions may be heard by the Board of Review during its March, July, and December sessions.

To be considered complete, this application must: 1) be completed in its entirety, 2) include information regarding all members residing within the household, and 3) include all required documentation as listed within the application. Please write legibly and attach additional pages as necessary.

PART 1: PERSONAL INFORMATION — Petitioner must list all required personal information.				
Petitioner's Name			Daytime Phone Number	
Age of Petitioner	Marital Status	Age of Spouse	Number of Legal Dependents	
Property Address of Principal Residence		City	State	ZIP Code
PART 2: REAL ESTATE INFORMATION				
List the real estate information related to your principal residence. Be prepared to provide a deed, land contract or other evidence of ownership of the property at the Board of Review meeting.				
Property Parcel Identification Number		Name of Mortgage Company		
Unpaid Balance Owed on Principal Residence	Monthly Payment	Length of Time at this Residence		
Property Description				
PART 3: AFFIRMATION OF OWNERSHIP, OCCUPANCY, AND INCOME STATUS (Check all boxes that apply.)				
<input type="checkbox"/> I own the property in which the exemption is being claimed.				
<input type="checkbox"/> The property in which the exemption is being claimed is used as my homestead. Homestead is generally defined as any dwelling with its land and buildings where a family makes its home.				
PART 4: ADDITIONAL PROPERTY INFORMATION				
List information related to any other property owned by you or any member residing in the household.				
<input type="checkbox"/> Check if you own, or are buying, other property. If checked, complete the information below.			Amount of Income Earned from other Property	
1	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid
2	Property Address	City	State	ZIP Code
	Name of Owner(s)	Assessed Value	Date of Last Taxes Paid	Amount of Taxes Paid

PART 5: EMPLOYMENT INFORMATION — List your current employment information.

Name of Employer			
Address of Employer	City	State	ZIP Code
Contact Person	Employer Telephone Number		

PART 6: INCOME SOURCES

List all income sources, including but not limited to: salaries, Social Security, rents, pensions, IRAs (individual retirement accounts), unemployment compensation, disability, government pensions, worker's compensation, dividends, claims and judgments from lawsuits, alimony, child support, friend or family contribution, reverse mortgage, or any other source of income, for all persons residing at the property.

Source of Income	Monthly or Annual Income (indicate which)

PART 7: CHECKING, SAVINGS AND INVESTMENT INFORMATION

List any and all savings owned by all household members, including but not limited to: checking accounts, savings accounts, postal savings, credit union shares, certificates of deposit, cash, stocks, bonds, or similar investments, for all persons residing at the property.

Name of Financial Institution or Investments	Amount on Deposit	Current Interest Rate	Name on Account	Value of Investment

PART 8: LIFE INSURANCE — List all policies held by all household members.

Name of Insured	Amount of Policy	Monthly Payments	Policy Paid in Full	Name of Beneficiary	Relationship to Insured

PART 9: MOTOR VEHICLE INFORMATION

All motor vehicles (including motorcycles, motor homes, camper trailers, etc.) held or owned by any person residing within the household must be listed.

Make	Year	Monthly Payment	Balance Owed

PART 10: HOUSEHOLD OCCUPANTS — List all persons living in the household.				
First and Last Name	Age	Relationship to Applicant	Place of Employment	\$ Contribution to Family Income

PART 11: PERSONAL DEBT — List all personal debt for all household members.					
Creditor	Purpose of Debt	Date of Debt	Original Balance	Monthly Payment	Balance Owed

PART 12: MONTHLY EXPENSE INFORMATION			
The amount of monthly expenses related to the principal residence for each category must be listed. Indicate N/A as necessary.			
Heating	Electric	Water	Phone
Cable	Food	Clothing	Health Insurance
Garbage	Daycare	Car Expense (gas, repair, etc.)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	
Other (type and amount)	Other (type and amount)	Other (type and amount)	

NOTICE: Per MCL 211.7u(2)(b), 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 must be submitted with this application. 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.

PART 13: POLICY AND GUIDELINES ACKNOWLEDGMENT

The governing body of the local assessing unit shall determine and make available to the public the policy and guidelines used for the granting of exemptions under MCL 211.7u. In order to be eligible for the exemption, the applicant must meet the federal poverty guidelines published in the prior calendar year in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902, or alternative guidelines adopted by the governing body of the local assessing unit so long as the alternative guidelines do not provide income eligibility requirements less than the federal guidelines. The policy and guidelines must include, but are not limited to, the specific income and asset levels of the claimant and total household income and assets. The combined assets of all persons must not exceed the limits set forth in the guidelines adopted by the local assessing unit.

The applicant has reviewed the applicable policy and guidelines adopted by the city or township, including the specific income and asset levels of the claimant and total household income and assets.

PART 14: LEGAL DESIGNEE INFORMATION (Complete if applicable.)

Legal Designee Name		Daytime Telephone Number	
Mailing Address	City	State	ZIP Code

PART 15: CERTIFICATION

I hereby certify to the best of my knowledge that the information provided in this form is complete, accurate and I am eligible for the exemption from property taxes pursuant to Michigan Compiled Law, Section 211.7u.

Printed Name	Signature	Date
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This application shall be filed after January 1, but before the day prior to the last day of the local unit's December Board of Review.

Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal by July 31 of the current year. A July or December Board of Review decision may be appealed to the Michigan Tax Tribunal by petition within 30 days of decision. A copy of the Board of Review decision must be included with the petition.

Michigan Tax Tribunal
PO Box 30232
Lansing MI 48909

Phone: 517-335-9760
Email: taxtrib@michigan.gov

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: _____

Signature of Person Making Affidavit

Date