Poverty Exemption Guidelines-2026

Income Guidelines: How much income a person can receive per year and be eligible for poverty exemption.

Size of Family/Household	Maximum Total Income
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

Non-Cash Benefits

All Federal non-cash benefit programs such as Medicare, Medicaid, food stamps, school lunches and VA benefits are exempt. The Michigan homestead property tax credit cannot be considered as income for purposes of the poverty exemption.

Asset Test: The aggregate of items from the poverty exemption application will determine the maximum value of all assets considered to be eligible for the poverty exemption. The total dollar amount of 2 (two) times the Income Guidelines for the family/household will be the threshold to use, and the value of all assets cannot exceed that total dollar amount, i.e. a family of three(3) cannot have assets worth more than $53,300 (2 x 26,650 = 53,300 for 2026 values)

Primary Residence

Primary Residence cannot be included as an asset to determine the poverty exemption. The primary residence is exempt within the minimum parcel size of the Eagle Harbor Township Land Division, Subdivision and Condominium Ordinance. Any excess parcel size above the minimum parcel size as defined in the Eagle Harbor Township Land Division, Subdivision and Condominium Ordinance is not exempt and will be counted as an asset. Secondary structures on the primary residence parcel are exempt.

Household Assets

Standard household assets typically required to have and maintain a household are exempt up to $40,000 in fair market value. Personal property in excess of $40,000 will be counted as assets.

Transportation

One vehicle is exempt not to exceed a fair market value of $30,000. Extra vehicles will be counted as assets.

Retirement Accounts

All Retirement Accounts (401ks, IRAs, etc) will be exempt that are not eligible for distribution at the time of application for poverty exception.

Savings/Checking or other liquid assets

All liquid assets are limited to a maximum of $1000.

Provide Copies of:

Last 3 months of bank statements.
Most recent mortgage statement.
Latest federal and state income tax returns for all persons residing in the principal residence.
Drivers License or other valid form of identification.
Deed, Land Contract, or other evidence of ownership.

Application can be filed after January 1st but before the day prior to the last day of the December board of review.

Decisions of the board of review can only take place in March, July, or December meetings.

Applications for poverty exemptions are requested to be filed a minimum of 5 days before board of review meetings.

All other assets (land, second/additional homes, cash, equipment, recreational vehicles, ATVs, motorcycle, jewelry, artwork, antiques, etc.) including those owned by *all* members residing within the household must be identified and documentation provided to the Eagle Harbor Township Board of Review. Based on those assets listed on the Application for Poverty Exemption - Form 5737 Pages 1-4, the Board of Review may grant the applicant a 25%, 50%, 75% or 100% exemption and may not act outside the guidelines due to compelling reasons or extenuating circumstances.

MCL 211.7u(5) The Board of Review shall follow the policy and guidelines of the local assessing unit in granting or denying an exemption under this section. Decision of the March Board of Review may be appealed by petition to the Michigan Tax Tribunal (MTT) by July 31 of the current year. A July or December Board of Review decision may be appealed to the MTT by petition within 35 days of decision.