

# TOWNSHIP OF ELBA, MICHIGAN

## *Property Tax Exemption Policy & Procedures*

The Michigan Constitution of 1963 (as amended) and the General Property Tax Act (PA206 of 1893, as amended) set forth that all real and personal property located within the State of Michigan is subject to ad valorem property taxation, unless expressly exempt.

Real and personal property exemptions are identified and authorized within specific sections and subsections of Section 211.7 and Section 211.9 of the Michigan Compiled Laws. Further, Michigan Courts have set that the burden of proof of exemption entitlement rests with the claimant/applicant. A claimant/applicant's 501(c)(3) status is not a determining factor for exemption [*American Concrete Institute v State Tax Commission*, 12 Mich App595;163 NW2d 508 (1968)].

In order for an exemption of ad valorem property to be approved and added to the assessment roll, the following procedures will be followed:

1. A completed "Ad Valorem Property Tax Exemption Application" must be filed with the Township's Assessing Department (filed on or before December 31<sup>st</sup>).
2. ALL attachments/documents must be submitted with the application:
  - Copy of instrument by which property was acquired (proof of ownership).
  - Copy of Articles of Incorporation.
  - Copy of By-Laws.
  - Copy of any pamphlet, other information, or literature describing the functions of the organization.
  - Copy of previous three (3) years of income tax filings including 990 forms (charitable exemption applications).
  - Copies of all leases including sub-leases in effect at the subject property during the previous calendar year.
3. A file will be created for the review and approval process.
4. A field inspection of the property will be completed including photograph.
5. If necessary, the Township's attorney will be asked to review the file and give an
6. opinion.
7. The property will be exempted the following calendar year if the application and documentation are sufficient evidence that the property qualifies under the specific exemption statute identified. The official notification of the taxable status will be the annual assessment change notice.
8. Taxpayers may appeal the assessor's determination at the March Board of Review.

Audit Procedure:

Every five (5) years beginning with 2019 assessment roll, new applications will be sent to each existing real exempt property to be verified & updated. Applicants will be allowed four (4) weeks to return the completed application. If the application is not received timely, a second notice will be sent. Site visits to each property will also take place to verify the information received. Upon discovery that the property is no longer eligible for the exemption, the assessor shall remove the exemption and amend the tax roll to reflect the removal of the exemption.

See below for application:

Note: Prior to 2022 roll, no applications for exempt properties could be located in the assessor's office.

**TOWNSHIP OF ELBA  
ASSESSING DEPARTMENT**

*4717 Lippincott Road  
Lapeer, MI 48026  
(810) 664-3700*

*Assessing Office Hours: Tuesdays, 9:00 am to 4:00 pm*

***Property Tax Exemption General Information***

**General Test for Exemption**

- 1) The exemption claimant must own and occupy the property.
- 2) The exemption claimant must occupy the property solely for its exempt purposes.
- 3) The exemption must be defined by Michigan law see attached excerpt of the general property tax act M.C.L. Chapter 211 Section 7 (this section contains most of the real property exemptions).

**Requirements for Exemption from Property Tax (Real Property)**

The following must be submitted.

- 1) Articles of incorporation.
- 2) Internal Revenue Service (I.R.S.) Statement indicating taxable status (501 C3)
- 3) Copy of **recorded** document indicating ownership such as a Warranty Deed, Land Contract, or other similar recorded instrument.
- 4) A signed affidavit indicating the exempt use of the property, and the current ownership.
- 5) Copies of any Leases of the property for which the exemption is requested.

**Supplemental Information**

The items below may be submitted or requested to support the claim of exemption.

- 1) Federal Income Tax Return
- 2) Michigan Income Tax Return
- 3) By Laws
- 4) Balance Sheet
- 5) Mission Statement

**Personal Property Exemption**

The exemption must be defined by Michigan law see attached excerpt of the general property tax act M.C.L. Chapter 211 Section 9 (this section contains most of the personal property exemptions).

Please see the next page for the application. Revised 2016-08

Please See the next page for the application.

**ELBA TOWNSHIP  
APPLICATION FOR PROPERTY TAX EXEMPTION**

Date \_\_\_\_\_ Parcel Number \_\_\_\_\_

Property Address \_\_\_\_\_

Name of Organization \_\_\_\_\_

Address of Organization \_\_\_\_\_

Officers: \_\_\_\_\_ Title: \_\_\_\_\_

\_\_\_\_\_

The above hereby make application for exemption from property tax under the following Section (s) of the Michigan General Property Tax Law: \_\_\_\_\_

\_\_\_\_\_

Is the Organization currently receiving a property tax exemption in another Michigan Community? \_\_\_\_\_ Where? \_\_\_\_\_

\_\_\_\_\_

If Yes for what purpose? Or under which Section of the Michigan General Property Tax Law

\_\_\_\_\_

Supplemental Information may be requested to support status as an exempt entity under Michigan Law.

Applicant Signature \_\_\_\_\_ / \_\_\_\_ / \_\_\_\_ Applicant Phone (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_  
Date

**DO NOT write below this line - Assessing Department use only.**

- |   |   |
|---|---|
| ____ 1) Articles of incorporation                     | ____ 5) By Laws                               |
| ____ 2) Statement of I.R.S. indicating status         | ____ 6) Balance Sheet.                        |
| ____ 3) Affidavit of exempt use by the exempt entity. | ____ 7) Copies of any Leases of the property. |
| ____ 4) Federal Income Tax return.                    |   |

Exemption approved by: \_\_\_\_\_ Date \_\_\_\_\_  
Assessor