

Fort Gratiot Township Assessing Department Exemption from Property Taxes Application & Approval Policy

To request a property tax exemption, a completed Application for Ad Valorem Property Tax Exemption and the supporting documentation must be filed with the Assessor's office by December 1 to be reviewed for approval for the subsequent tax year (postmarks not accepted). The property must be owned, occupied, and used for the stated exemption purpose as of December 31 of the year prior to the year for which exemption is claimed.

Real and personal property exemptions are identified and authorized within specific sections of the General Property Tax Act and further defined by Michigan Court cases. 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 the controlling factor for exemption [American Concrete Institute vs State Tax Commission, 12 Mich App 595;163 NW2d 508 (1968)].

The following three-part test has been established by Michigan statute and court cases to determine if a property is exempt:

- 1) The real estate must be owned and occupied by the exemption 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 purposes for which it was incorporated, or as further limited by the applicable statute.

These and other criteria set forth in Michigan statute and further defined in court cases will be used to determine if the claimant qualifies for the exemption.

The following documentation must be submitted for the Application for Ad Valorem Property Tax Exemption to be reviewed.

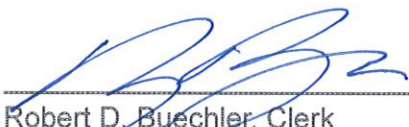
- 1) Completed Application for Ad Valorem Property Tax Exemption
- 2) Articles of Incorporation of Applicant
- 3) Most current year Nonprofit Corporation Information Update (formerly known as Michigan Annual Report) which is filed with the Michigan Department of Licensing & Regulatory Affairs each October or I.R.S Statement indication current nonprofit status.
- 4) Proof of Ownership by the Claimant (such as a deed, land contract or other legal document verifying ownership).
- 5) Listing of all corporations, partnerships and/or sole proprietors that will be occupying the property.
- 6) Copy of all leases that will be active for the property.

All complete applications will undergo a review by the Assessor's Office. The review process requires a site visit by a member of the Assessing Department staff. The applications are reviewed based on the status of the property as of December 31. For this reason, site visits will be scheduled near the end of the year.

Decisions are issued in writing during January, February, and March of the tax year in which the exemption will apply. Denial of the exemption may be appealed to the March Board of Review for the current year only. The applicant must appeal to the March Board of Review to preserve the right to appeal further to the Michigan Tax Tribunal.

The Assessor's office will annually exempt properties. Additional information may be requested from the organization to support the continued exempt status. Failure to provide the requested information may jeopardize the continuation of the exemption. If the Assessor determines that the applicant no longer qualifies for the exemption, the exemption will be removed and the taxpayer will be notified of appeal rights.

Any change in information used by an applicant to request or support a claim for exemption or any change in the use of the property should be immediately brought to the attention of the Assessor's office. Appearance before the Fort Gratiot Township March Board of Review may be required in order to resolve the situation.



Robert D. Buechler, Clerk
Fort Gratiot Charter Township