

COPY

OTSEGO LAKE TOWNSHIP
Exempt Property Determination Policy
#2024-3

The determination of whether real property in Otsego Lake Township is taxable or exempt will be made in accordance with this policy. Any reference to the assessor shall be interpreted to mean any employee of the township performing assessing functions or any designee of such an employee.

Guiding Principles

All property shall be taxable unless expressly exempt under Michigan law. The burden of proof lies with the taxpayer to prove eligibility for an exemption. This policy provides guidance for the identification of properties that are fully exempt from real property taxes. This policy does not provide guidance on exemptions which provide alternative tax rates, reduced tax rates, or exemptions from specific tax levies.

Identification of Exempt Property

The taxable status of a parcel shall not be changed from taxable to exempt except when a taxpayer has provided the MCL statute under which they are claiming an exemption and provided sufficient evidence, as determined by the assessor or the Board of Review, to support their claim for exemption. The assessor will use an application form to gather exemption requests and supporting documentation. The applicant will be notified in writing of the decision to approve or deny the requested exemption from property taxes and will be provided with an explanation for any denial.

Exempt Parcel Maintenance

The assessor will review all parcels identified as exempt annually if possible but no less than at least every five years. The assessor may use a verification form to obtain current relevant information about property ownership, characteristics, and use. If it is determined that a parcel is no longer exempt from taxation the assessor will make an estimate of the true cash value of the taxable property and include it on the subsequent assessment roll.

Adopted at the Regular Meeting on February 15, 2024

Mary Brown
Mary Brown, Otsego Lake Township Clerk

APPROVED

BY: Board DATE: 2-15-24

OTSEGO LAKE TOWNSHIP
Application for Exemption from Property Taxes

Instructions:

Return this form along with copies of documents listed on page 4 of this form. To continue receiving an exemption, property must be owned and used for the stated exemption purpose as of December 31 of the year prior to the assessment year being determined. Form must be received by the Assessor no later than February 1 of the assessment year.

The following is the four-part test that Michigan courts have established to determine if a property is exempt:

- 1) The real estate must be owned and occupied by the exempt claimant;
- 2) The exemption claimant must be a religious, library, benevolent, charitable, educational or scientific institution;
- 3) The claimant must have been incorporated under the laws of a state;
- 4) The exemption only exists when the buildings or other property thereon are occupied by the claimant solely for the purpose for which it was incorporated, or as further limited by the applicable statute.

Our policies are set by State of Michigan law and court decisions, and not by the City Commission or Township Board. We will use these criteria to determine your tax status. If you have any questions, please feel free to contact the Assessor.

989-732-6929

assessor@otsego-lake-township.org

10616 South Old 27, PO Box 99, Waters, MI 49797

APPROVED

DATE 2-15-24

REAL PROPERTY EXEMPTION APPLICATION FORM

Name of Organization:

Address of Property:

Parcel Number (from Assessment notice or tax bill):

Legal Description (if application is for less than the entire parcel):

The property identified above located in the Township of Hudson, Charlevoix County is being used for the following purposes of our organization (check all that apply):

Religious Charitable Scientific

Educational Benevolent Memorial

Home Library

Other

The property tax law, MCL number or Public Act & section, under which you are claiming exemption: (Note: Internal Revenue Code Sec. 501 (c) 3 is NOT a property tax exemption law, but rather deals with exemption from Federal Income Tax)

Date of Acquisition: _____

Conveyed By:

_____ Land Contract

_____ Warranty Deed

_____ Other

List All Occupants of This Property:

Reason(s) for Exemption of This Property:

List All Uses of This Property and Percentage of Each:

_____ % _____
_____ % _____
_____ % _____
_____ % _____
_____ % _____

Total 100 %

Do You Rent or Lease Any Part of This Property?

_____ Yes

_____ No

If yes, explain:

THE INFORMATION ON THIS FORM IS, TO THE BEST OF MY KNOWLEDGE AND JUDGEMENT, A TRUE AND CORRECT STATEMENT OF FACTS CONCERNING THE ABOVE-DESCRIBED PROPERTY AND ITS USE.

Date: _____

Signed: _____

Print or type name and title:

Address:

Phone Number: _____

Email: _____

For Office use only

RECEIVED BY ASSESSING OFFICE:

Date: _____

By: _____

SUPPORTING DOCUMENTS REQUESTED

Processing this exemption verification form is facilitated by your providing copies of as many of the following documents as possible. Put a check if the requested document is provided and an X if it doesn't apply.

1. Articles of incorporation and all amendments, which should include the following information:

- a. The names of directors of the corporation
- b. The purpose of corporation and if it operates on a profit or non-profit status
- c. A copy of articles of incorporation

d. Assumed name(s) along with the name of governmental agency where the assumed name is recorded with

2. Current By Laws and/or Constitution

3. Evidence of ownership of, or interest in, subject property, typically a deed, land contract or lease

4. Governmental approval/certification to operate for stated purpose:

a. Most recent IRS exemption determination

b. State/County license

c. City approval: Permit License Other

d. License from Attorney General to solicit or receive contributions

5. The most recent budget documents for either of the following:

a. The operation of charitable, educational, religious organization

b. The operation of real estate and/or personal property for which exemption is sought

6. Inclusive list of ALL salaries, fees, payments, rent, repayments of loans, etc., as well as transfers, current or deferred, from the exemption applicant to its directors, officers, consultants, agents, and/or employees

7. List of all clients served that are in any way related to any director, officers, consultant, agent and/or employees of applicant and an explanation of any of the above relationships

Notes:

OTSEGO LAKE TOWNSHIP
Exemption from Property Taxes - Decision

Your application or verification of exemption was:

Approved

Denied

If denied, the reason(s) for denial are:

Incomplete application and/or documentation as indicated from page 4 of the application:

Property does not meet the standards of the four-part test that Michigan courts have established to determine if a property is exempt as indicated below:

- The real estate IS NOT owned and occupied by the exempt claimant
- The exemption claimant IS NOT a religious, library, benevolent, charitable, educational, or scientific institution
- The claimant IS NOT incorporated under the laws of a state

- The buildings or other property thereon IS NOT occupied by the claimant solely for the purpose for which it was incorporated, or by a government entity as provided by PA 309 of 2000

Comments:

Appeal Rights: If you disagree with this determination. You may appeal to the March Board of Review. Please see your assessment change notice sent in February for the location, dates, and times.

Signed: _____

Date: _____

By Bobbi Balazovic, Assessor

Otsego Lake Township Assessor: Bobbi Balazovic

989-732-6929

assessor@otsego-lake-township.org

PO Box 99, Waters, MI 49797