

SCIO TOWNSHIP PROPERTY TAX EXEMPTION POLICY

Revised 10/2023

Michigan property tax law presupposes that all property is taxable unless specifically exempted by the Michigan Constitution or a particular statute. When interpretation of an exemption statute as it applies to a specific property or circumstance is ambiguous or questionable, the benefit of doubt will fall on the side of taxable.

Scio Township will accept applications for property tax exemptions by the completion of an "Application For Exemption From Real & Personal Property Taxes". The application shall include the owner, the occupant, and the specific use of the property in question as of December 31st in the year prior to the year of the desired exemption. The application shall also include the statute, preferably by citation, which would explicitly grant a property tax exemption to the claimant and property. When an exemption is claimed under occupancy by a "Charitable" organization, the applicant will also include a narrative demonstrating compliance with each part of the 6-par test established by the Michigan Supreme Court in *Wexford Medical Group v city of Cadillac*:

1. The claimant must be a nonprofit institution;
2. The claimant must be organized chiefly, if not solely for charity;
3. The claimant must not offer its charity on a discriminatory basis by choosing who among the group it purports to serve deserves its services, but rather must serve any person who need the particular type of charity being offered;
4. The claimant must bring people's minds or hearts under the influence of education or religion; relieve people's bodies from disease, suffering, or constraint; assist people to establish themselves for life; erect or maintain public buildings or works; or otherwise lessen the burdens of government;
5. The claimant may charge for its services as long as its charges are not more than what is needed for its successful maintenance; and
6. The claimant need not meet any monetary threshold of charity, rather, if the overall nature of the claimant is charitable, it is a charitable institution.

Scio Township will review all exemptions annually for a change in ownership, change in occupancy, or change in use of the property and, if necessary, solicit information from a property owner to verify qualification for continued exemption. A property no longer qualifying for an exemption will be fully assessed the year following the change in status.