

Principal Residence Exemption Policy

Wright Township

Definition

Section 211.7cc and 211.7dd of the General Property Tax Act, Public Act 206 of 1893, as amended, addresses Principal Residence Exemption (PRE) claims (formerly known as the Homestead Exemption).

1. A PRE exempts a principal residence from the tax levied by a local school district for school operating purposes, up to 18 mills.
2. To qualify for a PRE the applicant must:
 - a. Be a Michigan resident.
 - b. Not claiming a similar exemption in another state
 - c. Own the subject property.
 - i. Ownership is defined as any percentage of ownership in the subject parcel from 1% to 100%.
 - d. Occupy the subject property as their principal residence.
 - i. Occupancy is generally defined as “The place you intend to return to when you leave.”
3. Parcels which are vacant, contiguous, and owned by the applicant may also be eligible for a PRE.

Application Procedure

1. Applicants must complete Form 2368 and submit it to the assessor’s office
2. Applicants must own and occupy the subject property prior to June 1st of the current year to qualify for the entire year or prior to November 1 to qualify for the winter tax bill only.
3. PRE Affidavits will be date-stamped by the assessor upon receipt.
4. The assessor will review and complete the bottom portion of the PRE Affidavit.
5. Once the PRE has been reviewed a digital copy will be made and attached to the subject parcel record card in BS&A.

7. The physical PRE Affidavit will be archived in a binder.
8. If all qualifications are met the assessor will grant the PRE at the appropriate percentage in BS&A.
9. If an applicant does not meet all the requirements for a PRE their application will be denied.

PRE Denial Procedure

1. If a PRE application is denied by the assessor the applicant will be notified by the assessor in writing via Form 2742.
2. If the assessor discovers that a property owner no longer qualifies for a PRE in part or in whole the assessor will reduce the PRE % to the appropriate amount for the current and up to 3 preceding years when applicable. The property owner will be notified by mail via Form 2742.
3. In cases of a current year denial the local treasurer will be notified.
4. When a denial spans multiple years the local and county treasurer will be notified.

Retroactive PRE's

1. If an applicant fails to timely file a PRE, they may still be eligible for the current year and up to 3 prior years.
2. When the assessor receives a late-filed PRE it is the applicant's responsibility to confirm that all the requirements were met for the year(s) in question. The applicant must prove that:

They owned the subject property for the period in contention.

They occupied the subject property for the period in contention. Acceptable forms of proof include:

- a. Driver's license with the address of the subject property
- b. voter registration
- c. utility bills
- d. shipping receipts
- e. vehicle registration

- f. mail addressed to the applicant at the subject property address.
- 3. If an applicant is eligible for a retroactive PRE for the current year only the assessor will notify the local treasurer.
- 4. If the applicant is eligible for a retroactive PRE for prior years the assessor will complete Form 5838 and notify the local and county treasurer.

Recission Procedure

- 1. When there is a transfer of ownership the previous owner's PRE will be rescinded.
- 2. Upon receipt of Form 2602 the assessor will:
 - a. date stamp said form.
 - b. Apply the appropriate PRE % reduction to the parcel record card in BS&A.
 - c. Complete Part 4 of the form.
 - d. Make a digital copy of the recission and attach it to the property record card in BS&A.
 - e. Archive the physical document PRE Recission binder.