



Charter Township of Garfield  
Grand Traverse County, MI

Dear Township Residents,

In 1994 Proposal A was voted into our Michigan Constitution. Proposal A included what is called a Principal Residence Exemption (PRE) (aka Homestead Exemption). If you own and occupy your home as your principle residence you are not responsible for paying the local school operating millage (18 mils) **IF** you file an affidavit with your local Assessor.

In order to receive this 18 mil exemption you must meet four criteria:

- Live in your home at least 6 months out of the calendar year
- Have a valid driver's license with your PRE address
- File your income taxes at the PRE address
- Not rent out the PRE home for more than 14 days out of the calendar year

Your annual Assessment Change Notice shows “% Exempt as Homeowners Principal Residence”. When you see this percentage, there are a few things to consider. If it is 100% and you qualify, there is nothing you need to do. You are already benefitting from this exemption. If it is **0%** and you **do** qualify, you can file a PRE affidavit with the Assessing Department by June 1<sup>st</sup> to be qualified for the current calendar year. You should bring your driver's license (with your PRE address) with you so we can make a copy. **OR** If it is **100%** and you **do not** qualify, it is best that you rescind your PRE as soon as possible with the Assessing Department. In the event that you do not rescind as soon as the home is not your principle residence you will be liable for back taxes, interest and penalties.

We audit our PRE's every year. If you get a letter from us asking to verify your PRE, please contact us as soon as possible so we can fix any errors or omissions that have occurred. The State of Michigan, Department of Treasury, also performs PRE audits. If you receive a letter from the State and have questions, we are here to help you any way we can. Please call or stop in if you need assistance.

For more information on PRE's you can go to the State of Michigan website at:  
[www.michigan.gov/PREGuidlines](http://www.michigan.gov/PREGuidlines)