

Illinois

Working-Poor and Near-Poor Families in Illinois Are Hit Harder by the Income Tax Than Those in Most Other States

Illinois's 2006 income tax threshold

Rank among the 42 states with income taxes

(The income level at which families begin paying income tax)

(1 = lowest threshold)

- For single-parent families of three: \$13,600 (tied for) 9
- For two-parent families of four: \$15,600 (tied for) 7

Illinois's 2006 income tax levied on working-poor and near-poor families

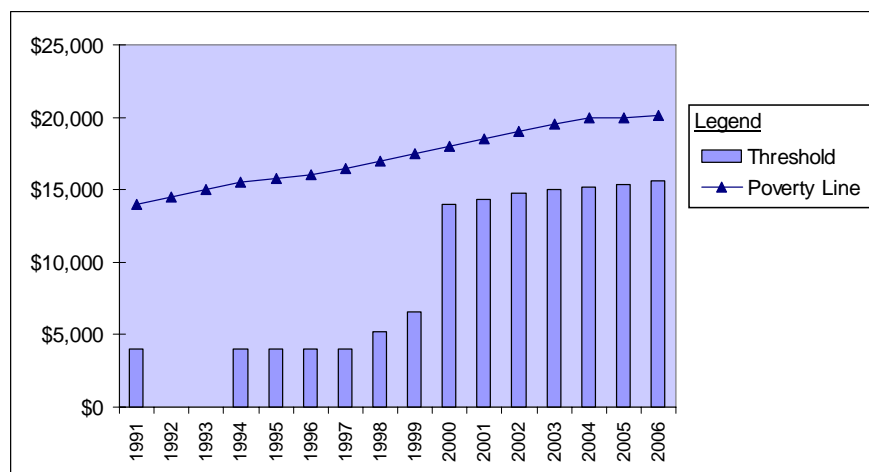
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$16,079): \$89 11
- For families of four with incomes at the poverty line (\$20,615): \$192 11
- For families of three with minimum-wage earnings (\$13,520): \$1 refund 27
- For families of three with incomes at 125% of poverty line (\$20,099): \$252 13
- For families of four with incomes at 125% of poverty line (\$25,769): \$401 13

Illinois' income tax thresholds are declining relative to the poverty line.

- Illinois' tax threshold for families of four was increased in 2000. But since then it has declined from 80 percent of the poverty line to 76 percent of the poverty line.
- Without legislative action, Illinois' threshold will continue to decline relative to the poverty line.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$4,000
1992	no data
1993	no data
1994	\$4,000
1995	\$4,000
1996	\$4,000
1997	\$4,000
1998	\$5,200
1999	\$6,600
2000	\$14,000
2001	\$14,300
2002	\$14,800
2003	\$15,000
2004	\$15,200
2005	\$15,349
2006	\$15,600