

Hawaii

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

Hawaii's 2001 income tax threshold — the income level at which families begin paying income tax:

Ranking among 42 states with income taxes

- ☞ For two-parent families of four: **\$11,300.** **6th lowest**
- ☞ For single-parent families of three: **\$9,500.** **5th lowest**

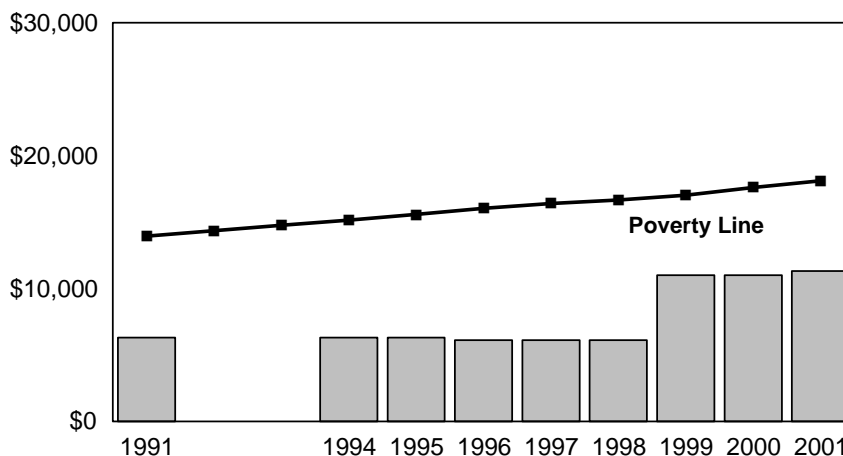
Hawaii's 2001 income tax on working-poor and near-poor families:

- ☞ For families of four with *incomes at the poverty line* (\$18,104): **\$422.** **3rd highest**
- ☞ For families of three with *incomes at the poverty line* (\$14,129): **\$294.** **3rd highest**
- ☞ For families of three with *minimum-wage earnings* (\$10,920): **\$89.** **5th highest**
- ☞ For families of three with *incomes at 125% of poverty line* (\$17,661): **\$567.** **2nd highest**
- ☞ For families of four with *incomes at 125% of poverty line* (\$22,630): **\$756.** **2nd highest**

Hawaii has consistently taxed families with incomes significantly below the poverty line.

- ☞ As a result of changes enacted in 1998, Hawaii's income tax threshold increased substantially in 1999, but Hawaii continues to levy income tax on poor families.
- ☞ In 1991, a family of four owed tax when its income exceeded 45 percent of the poverty line. In 2001, Hawaii's tax threshold equaled 62 percent of the poverty line.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$6,300
1994	\$6,300
1995	\$6,300
1996	\$6,100
1997	\$6,100
1998	\$6,100
1999	\$11,000
2000	\$11,000
2001	\$11,300