

Montana

Poor Families in Montana Are Hit Harder by the Income Tax Than Those in Most Other States

Montana'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: **\$9,800.** **4th lowest**
- ☞ For single-parent families of three: **\$8,000.** **3rd lowest**

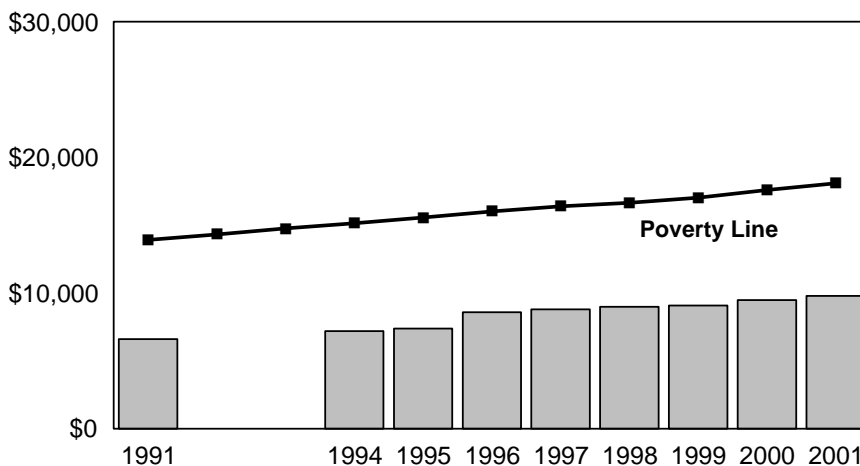
Montana's 2001 income tax on working-poor and near-poor families:

- ☞ For families of four with *incomes at the poverty line* (\$18,104): **\$239.** **10th highest**
- ☞ For families of three with *incomes at the poverty line* (\$14,129): **\$179.** **6th highest**
- ☞ For families of three with *minimum-wage earnings* (\$10,712): **\$59.** **7th highest**
- ☞ For families of three with *incomes at 125% of poverty line* (\$17,661): **\$297.** **10th highest**
- ☞ For families of four with *incomes at 125% of poverty line* (\$22,630): **\$410.** **12th highest**

Montana has consistently taxed families with incomes well below the poverty line.

- ☞ Montana's tax threshold for families of four has increased over the last ten years, but a substantial gap remains between the threshold and the poverty line.
- ☞ In 1991, a family of four owed tax when its income exceeded 47 percent of the poverty line. For 2001, Montana's tax threshold is 54 percent of the poverty line.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$6,600
1994	\$7,200
1995	\$7,400
1996	\$8,600
1997	\$8,800
1998	\$9,000
1999	\$9,100
2000	\$9,500
2001	\$9,800