

Nebraska

Nebraska Exempts Poor Families from the Income Tax

Nebraska'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: **\$19,500.**

23rd highest

☞ For single-parent families of three: **\$15,800.**

**20th highest
(tie)**

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

☞ No tax on families with *incomes at the poverty line* (\$18,104 for family of four, \$14,129 for family of three).

☞ No tax on families of three or four with *full-time minimum wage earnings* (\$10,712).

☞ For families of three with *incomes at 125% of poverty line* (\$17,661):
\$66.

21st highest

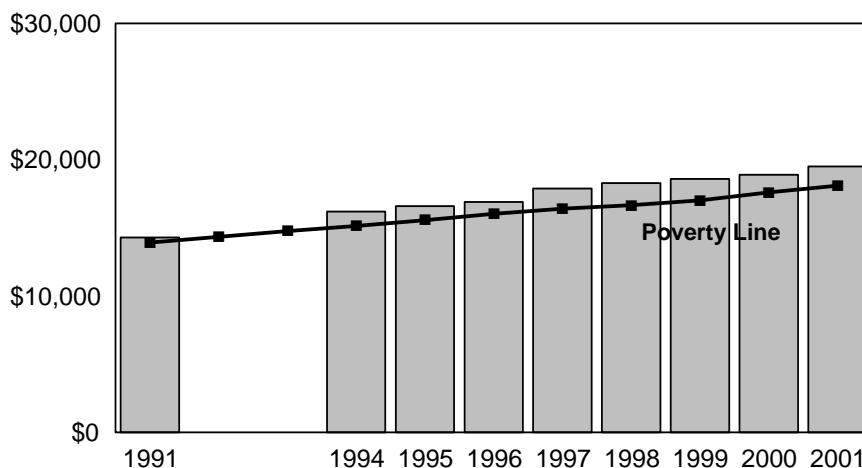
☞ For families of four with *incomes at 125% of poverty line* (\$22,630):
\$110.

23rd highest

Nebraska has consistently exempted families with below-poverty earnings from the income tax.

☞ In 1991, a family of four owed no tax until its income reached 3 percent above the poverty line. Nebraska's tax threshold is now 8 percent above the poverty line.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$14,300
1994	\$16,200
1995	\$16,600
1996	\$16,900
1997	\$17,900
1998	\$18,300
1999	\$18,600
2000	\$18,900
2001	\$19,500