

# Pennsylvania

## Pennsylvania Treats Poor Families Under Its Income Tax Better Than Most Other States

**Pennsylvania'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: **\$30,000.**

**2<sup>nd</sup> highest**

☞ For single-parent families of three: **\$23,500.**

**8<sup>th</sup> highest**

**Pennsylvania'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).

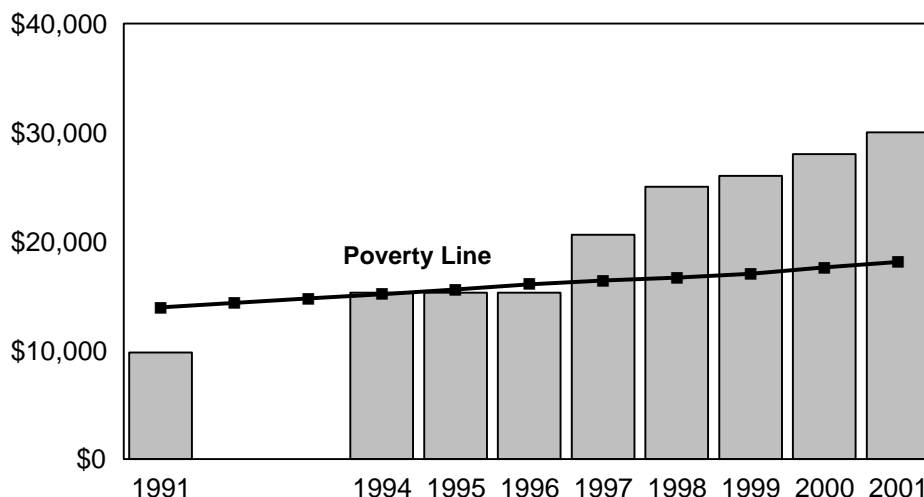
☞ No tax on families with *incomes at 125% of poverty line* (\$22,630 for a family of four, \$17,661 for a family of three).

☞ The only states with more favorable income tax treatment of working-poor and near-poor families are states that have refundable income tax credits.

**Pennsylvania has substantially increased its income tax threshold in the last five years.**

☞ In 1991, a family of four owed tax when its income reached 70 percent of the poverty line. Pennsylvania's tax threshold is now 66 percent above the poverty line.

**Income Tax Threshold for Family of Four**



Year	Threshold
1991	\$9,800
1994	\$15,300
1995	\$15,300
1996	\$15,300
1997	\$20,600
1998	\$25,000
1999	\$26,000
2000	\$28,000
2001	\$30,000