## **Utah**

# Some Families in Utah with Income Just Below the Poverty Line Are Subject to the Income Tax

Utah'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: \$16,300.

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16<sup>th</sup> lowest

For single-parent families of three: \$13,200.

16<sup>th</sup> lowest

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

For families of four with *incomes at the poverty line (\$18,104):* **\$43.** 

19<sup>th</sup> highest

For families of three with *incomes at the poverty line (\$14,129):* **\$22.** 

15<sup>th</sup> highest

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):* **\$141.** 

18<sup>th</sup> highest

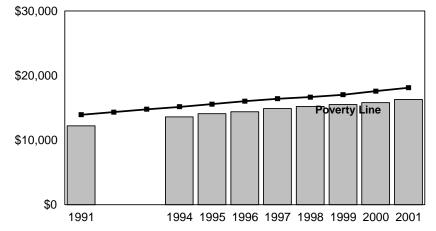
For families of four with *incomes at 125% of poverty line (\$22,630):* **\$229.** 

21<sup>st</sup> highest

#### In 2002, Utah will exempt from income tax families with incomes below the poverty line.

- In 1991, a family of four owed tax when its income exceeded 88 percent of the poverty line. For 2000, Utah's tax threshold is 90 percent of the poverty line.
- A law passed in 2001 will increase the threshold above the poverty line in tax year 2002.

### Income Tax Threshold for Family of Four



Year	Threshold
1991	\$12,200
1994	\$13,600
1995	\$14,100
1996	\$14,400
1997	\$14,900
1998	\$15,200
1999	\$15,500
2000	\$15,800
2001	\$16,300

Source: CBPP, State Income Tax Burdens on Low-Income Families in 2001, February 26, 2002.