# Oregon

## **Poor Families in Oregon Remain Subject to Income Tax**

Oregon's income tax threshold — the income level at which families begin paying income tax:		Ranking among 42 states with income taxes
$\Rightarrow$	For two-parent families of three: \$13,200.	14 <sup>th</sup> lowest
$\Rightarrow$	For single-parent families of four: \$15,800.	14 <sup>th</sup> lowest

#### Oregon's 2002 income tax on working-poor and near-poor families:

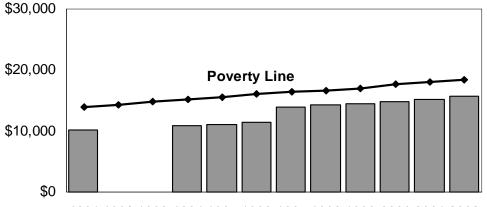
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$\Rightarrow$	For families of three with incomes at the poverty line (\$14,351): \$89.	9 <sup>th</sup> highest
$\Rightarrow$	For families of four with incomes at the poverty line (\$18,390): \$267.	8 <sup>th</sup> highest
$\Rightarrow$	For families of three with minimum-wage earnings (\$13,520): \$18	8 <sup>th</sup> highest
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- ⇒ No tax on families of four with *minimum-wage earnings* (\$13,520).
- For families of three with *incomes at 125% of poverty line (\$17,939):* **5**<sup>th</sup> **highest**
- For families of four with *incomes at 125% of poverty line (\$22,988):* **2<sup>nd</sup> highest**

### Despite Progress, Oregon continues to tax families with income below the poverty line.

- Oregon's tax threshold for families of four increased in 1997 with the adoption of a low-income tax credit. However, it remains below the poverty line.
- □ In 1991, a family of four owed tax when its income exceeded 73 percent of the poverty line.
  For 2002, Oregon's tax threshold is 86 percent of the poverty line.

## Income Tax Threshold for Family of Four



Year	Threshold
1991	\$10,100
1994	\$10,900
1995	\$11,100
1996	\$11,400
1997	\$14,000
1998	\$14,200
1999	\$14,400
2000	\$14,800
2001	\$15,100
2002	\$15,800

1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002

Source: Center on Budget and Policy Priorities, *State Income Tax Burdens on Low-Income Families in 2002*, April 11, 2003.