

Arkansas

Poor Families in Arkansas Remain Subject to the Income Tax

Arkansas' 2000 income tax threshold — the income level at which families begin paying income tax:

Ranking among 42 states with income taxes

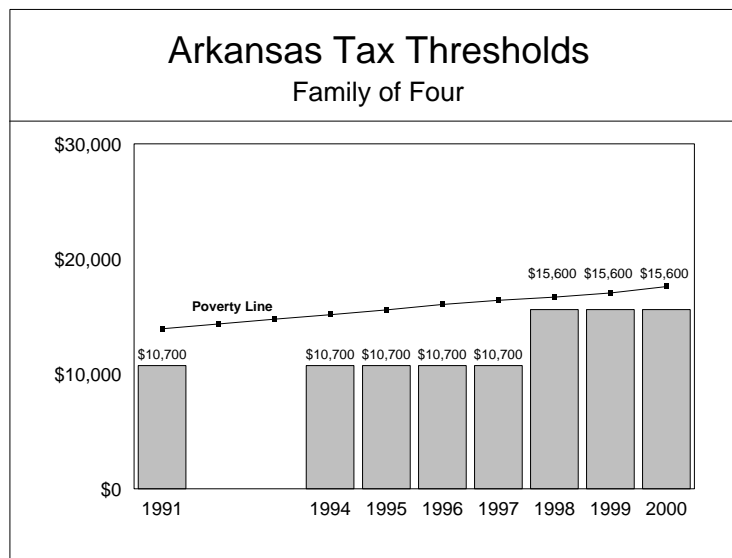
- ☞ For two-parent families of four: **\$15,600.** **15th lowest**
- ☞ For single-parent families of three: **\$13,000.** **16th lowest**

Arkansas' 2000 income tax on working-poor and near-poor families:

- ☞ For families of four with *incomes at the poverty line (\$17,601)*: **\$311.** **6th highest**
- ☞ For families of three with *incomes at the poverty line (\$13,737)*: **\$14.** **16th highest**
- ☞ For families of four with *incomes at 125% of poverty line (\$22,001)*: **\$542.** **7th highest**
- ☞ For families of three with *incomes at 125% of poverty line (\$17,171)*: **\$379.** **7th highest**

Despite some progress, Arkansas continues to tax families with incomes below the poverty line.

- ☞ Arkansas' tax threshold for families increased substantially in 1998. Despite this progress, the poverty-level income tax increased to \$311 for 2000.
- ☞ In 1991, a family of four owed tax when its income exceeded 77 percent of the poverty line. For 2000, Arkansas' tax threshold is 89 percent of the poverty line.



Source: Center on Budget and Policy Priorities.