

Connecticut

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

Connecticut's 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: **\$24,100.**

8th highest

☛ For single-parent families of three: **\$19,100.**

13th highest

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

☛ No tax on families with *incomes at the poverty line* (\$17,601 for family of four, \$13,737 for family of three).

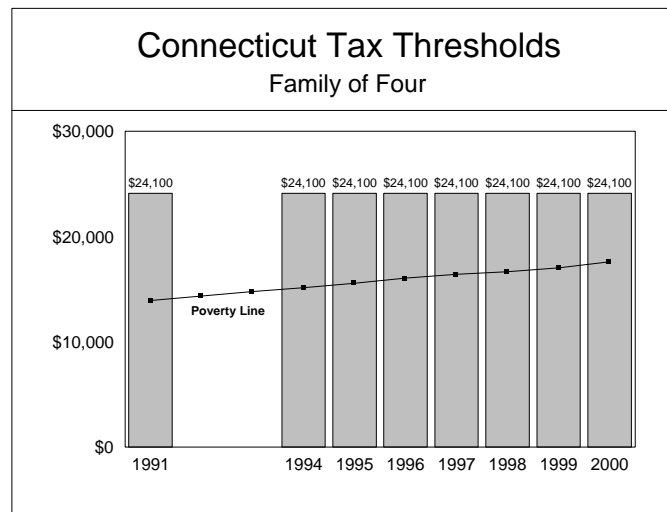
☛ No tax on families of three or four with *full-time minimum-wage earnings* (\$12,792).

☛ No tax on families with *incomes at 125% of the poverty line* (\$22,001 for family of four, \$17,171 for 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.

Connecticut 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 73 percent *above* the poverty line. Connecticut's tax threshold is now 37 percent *above* the poverty line.



Source: Center on Budget and Policy Priorities.