

Mississippi

Mississippi Exempts Poor Families from the Income Tax

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

Ranking among 42 states with income taxes

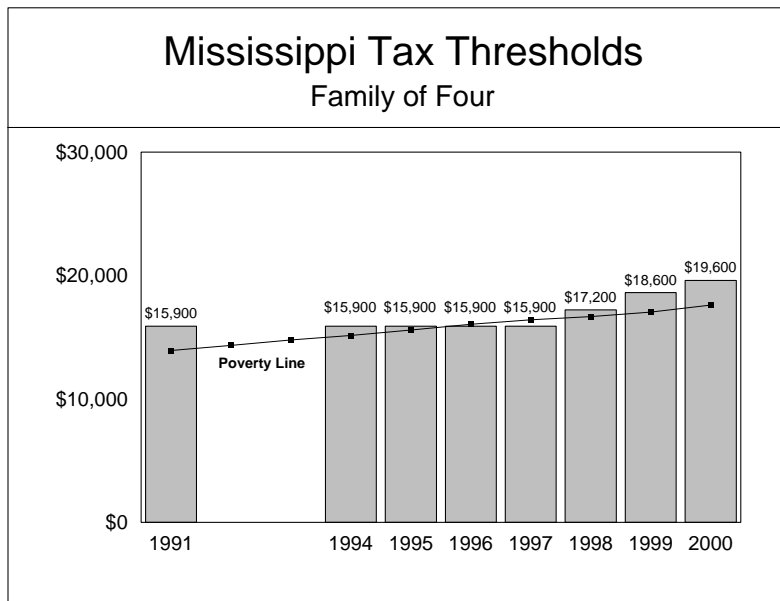
- ☞ For two-parent families of four: **\$19,600.** **20th highest**
- ☞ For single-parent families of three: **\$14,400.** **24th highest**

Mississippi'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* (\$10,712).
- ☞ For families of four with *incomes at 125% of the poverty line* (\$22,001): **\$72.** **16th lowest**
- ☞ For families of three with *incomes at 125% of the poverty line* (\$17,171): **\$83.** **22nd lowest**

Mississippi once again exempts families with incomes below the poverty line.

- ☞ Mississippi's tax threshold for families of four was below the poverty line in 1996 and 1997 but now is above the poverty line (see chart).
- ☞ In 1991, a family of four owed no tax until its income was 14 percent *above* the poverty line. The tax threshold is now 11 percent *above* the poverty line.



Source: Center on Budget and Policy Priorities.