

Montana

Poor Families in Montana Are Hit Harder by the Income Tax Than Those in Other States

Montana'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: **\$9,500.**

3rd lowest (tie)

☞ For single-parent families of three: **\$7,800.**

3rd lowest

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

☞ For families of four with *incomes at the poverty line* (\$17,601): **\$233.**

9th highest

☞ For families of three with *incomes at the poverty line* (\$13,737): **\$175.**

6th highest

☞ For families of three with *minimum-wage earnings* (\$10,712): **\$67.**

6th highest

☞ For families of four with *incomes at 125% of the poverty line* (\$22,001): **\$400.**

12th highest

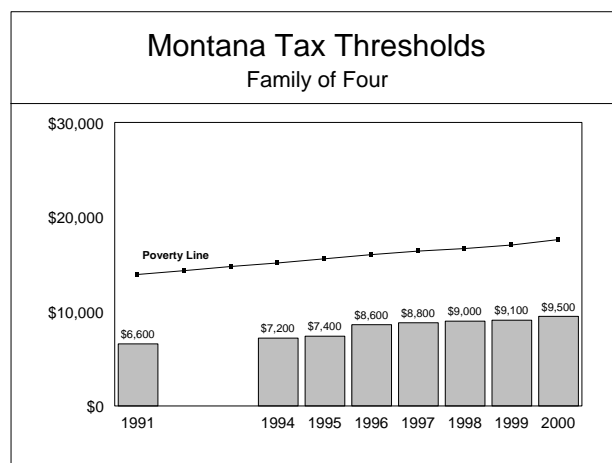
☞ For families of three with *incomes at 125% of the poverty line* (\$17,171): **\$290.**

10th highest

Montana has consistently taxed families with incomes below the poverty line.

☞ Montana's tax threshold for families of four has increased over the last ten years, but a substantial gap remains between the threshold and the poverty line.

☞ In 1991, a family of four owed tax when its income exceeded 47 percent of the poverty line. For 2000, Montana's tax threshold is 54 percent of the poverty line.



Source: Center on Budget and Policy Priorities.