

# North Dakota

## North Dakota Exempts Poor Families from the Income Tax

**North Dakota'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: **\$19,000.**

**21<sup>st</sup> highest**

☞ For single-parent families of three: **\$15,300.**

**20<sup>th</sup> highest**

**North Dakota'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.**

**17<sup>th</sup> lowest**

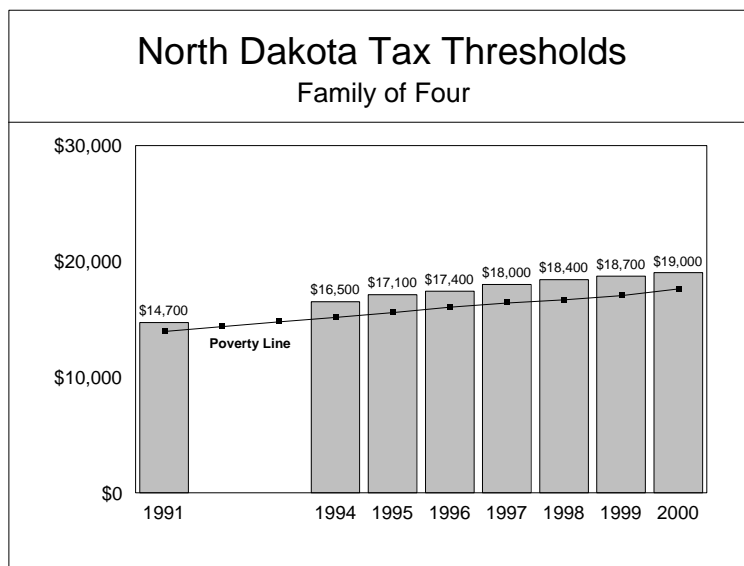
☞ For families of three with *incomes at 125% of the poverty line* (\$17,171): **\$49.**

**19<sup>th</sup> lowest**

**North Dakota has consistently exempted families with below-poverty earnings from the income tax.**

☞ Because North Dakota's tax threshold for families of four has risen over the last decade, the threshold has remained above the poverty line. (See chart.)

☞ In 1991, a family of four owed no tax until its income reached 6 percent *above* the poverty line. North Dakota's tax threshold is now 8 percent *above* the poverty line.



Source: Center on Budget and Policy Priorities.