

# Nebraska

## Nebraska Exempts Poor Families from the Income Tax

**Nebraska'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: **\$18,900.** **22<sup>nd</sup> highest**

☞ For single-parent families of three: **\$15,400.** **19<sup>th</sup> highest**

**Nebraska'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).

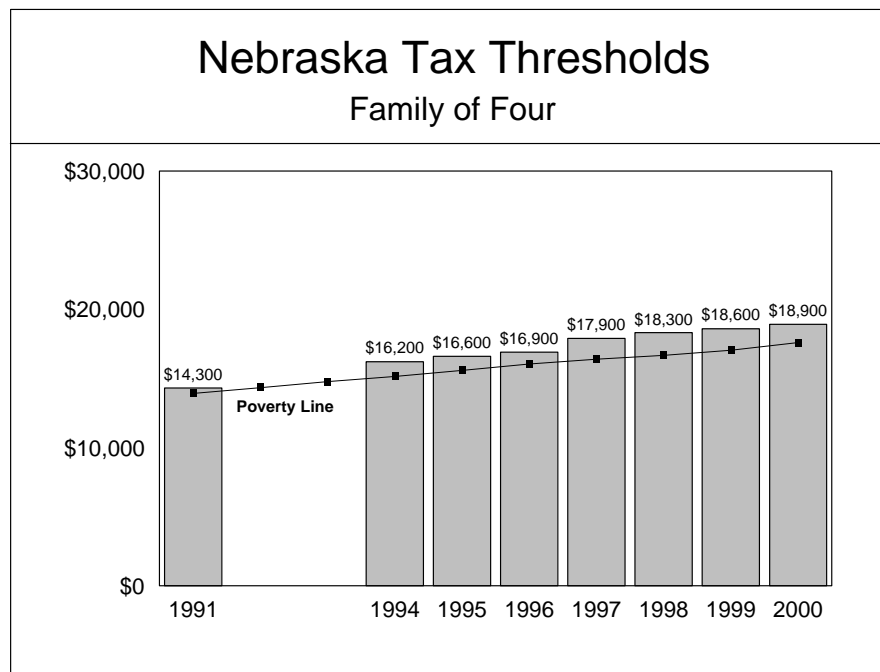
☞ No tax on families of three or four with *full-time minimum-wage earnings* (\$10,712).

☞ For families of four with *incomes at 125% of the poverty line* (\$22,001): **\$108.** **19<sup>th</sup> lowest**

☞ For families of three with *incomes at 125% of the poverty line* (\$17,171): **\$64.** **21<sup>st</sup> lowest**

**Nebraska 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 3 percent *above* the poverty line. Nebraska's tax threshold is now 7 percent *above* the poverty line.



Source: Center on Budget and Policy Priorities.