

Virginia

Most Poor Families in Virginia Do Not Pay Income Tax

Virginia'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: **\$17,100.**

18th lowest

☞ For single-parent families of three: **\$14,200.**

18th lowest

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

☞ For families of four with *incomes at the poverty line* (\$17,601): **\$341.**

5th highest

☞ No tax on families of three with *incomes at the poverty line* (\$13,737) or *minimum-wage earnings* (\$10,712).

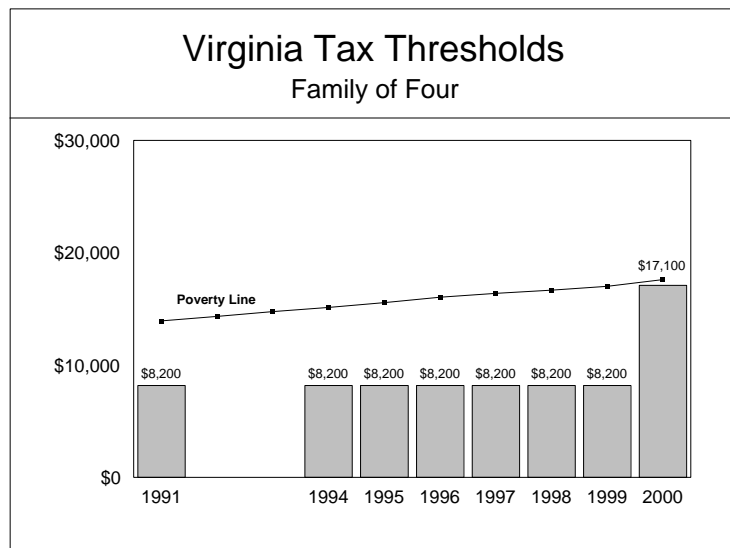
☞ For families of three with *incomes at 125% of the poverty line* (\$17,171): **\$459.**

4th highest

In 2000 Virginia exempted most families with incomes below the poverty line from paying income tax.

☞ From 1991 to 1999, Virginia's threshold was consistently about 50% of the poverty line.

☞ Due to the enactment of a low-income credit in 2000, Virginia's threshold is now 97% of the poverty line.



Note: Virginia's low-income tax credit applies to families with incomes below the federal poverty guidelines set by the Department of Health and Human Services for administrative purposes. These guidelines are slightly lower than the poverty threshold for a two-parent family of four used by the Census Bureau for statistical purposes, which is the poverty standard used in this analysis.