

Wisconsin

Wisconsin Treats Poor Families Under Its Income Tax Better Than Other States

Wisconsin'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: **\$20,700.**

15th highest

☞ For single-parent families of three: **\$17,700.**

16th highest (tie)

Wisconsin's 2000 income tax for working-poor and near-poor families:

☞ For families of four with *poverty-line incomes* (\$17,601): **\$400 refund.**

4th lowest

☞ For families of three with *poverty-line incomes* (\$13,737): **\$355 refund.**

8th lowest (tie)

☞ For families of three with *minimum-wage earnings* (\$10,712): **\$544 refund.**

4th lowest

☞ For families of four with *income at 125% of poverty line* (\$22,001): **\$116.**

20th lowest

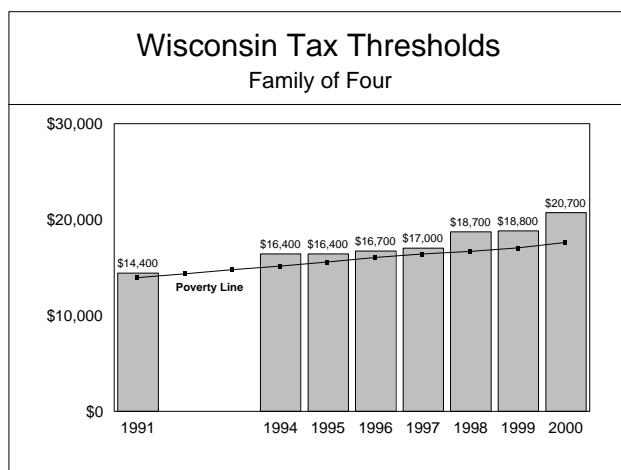
☞ For families of three with *income at 125% of poverty line* (\$17,171): **\$50 refund.**

9th lowest

Wisconsin 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. Wisconsin's tax threshold is now 18 percent *above* the poverty line.

☞ Under changes enacted in 1999, Wisconsin's tax threshold increased in 2000, and is scheduled to increase further in 2001.



Source: Center on Budget and Policy Priorities.