

Illinois

Poor Families in Illinois Remain Subject to the Income Tax

Illinois's 2002 income tax threshold — the income level at which families begin paying income tax:

Ranking among 42 states with income taxes

- ⇒ For single-parent families of three: **\$12,900.**
- ⇒ For two-parent families of four: **\$14,800.**

11th lowest (tie)

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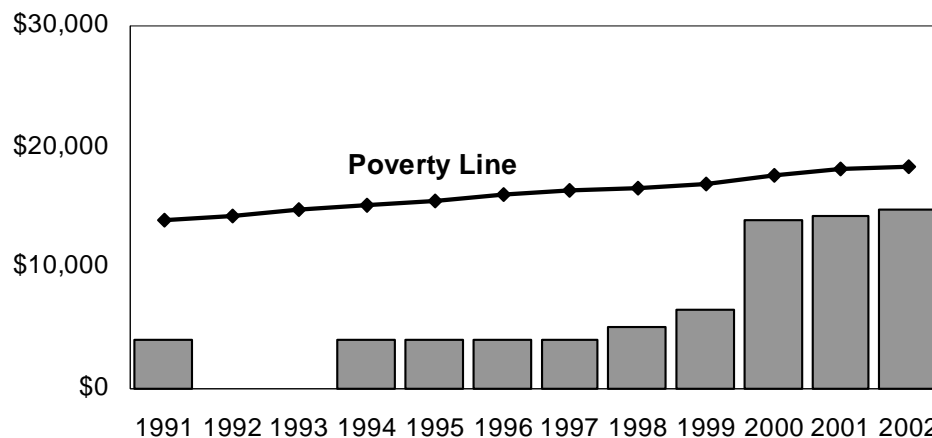
Illinois's 2002 income tax on working-poor and near-poor families:

- ⇒ For families of three with *incomes at the poverty line* (\$14,351): **\$52** **12th highest**
- ⇒ For families of four with *incomes at the poverty line* (\$18,390): **\$145.** **12th highest**
- ⇒ No tax on families of three or four with *minimum-wage earnings* (\$10,712).
- ⇒ For families of three with *incomes at 125% of poverty line* (\$17,939): **\$198.** **14th highest**
- ⇒ For families of four with *incomes at 125% of poverty line* (\$22,988): **\$332.** **14th highest**

Despite some progress, Illinois continues to tax families with incomes below the poverty line.

- ⇒ Illinois's tax threshold for families of four increased substantially in 2000. However, a gap remains between the threshold and the poverty line.
- ⇒ The tax credit that is most responsible for the increased threshold is scheduled to expire after 2002. If that occurs, income taxes on working-poor families will increase substantially.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$4,000
1994	\$4,000
1995	\$4,000
1996	\$4,000
1997	\$4,000
1998	\$5,200
1999	\$6,600
2000	\$14,000
2001	\$14,300
2002	\$14,800