

Wisconsin

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

Wisconsin's 2006 income tax threshold

Rank among the 42 states with income taxes

(The income level at which families begin paying income tax)

(1 = lowest threshold)

- For single-parent families of three: \$20,900 27
- For two-parent families of four: \$25,000 27

Wisconsin's 2006 income tax levied on working-poor and near-poor families

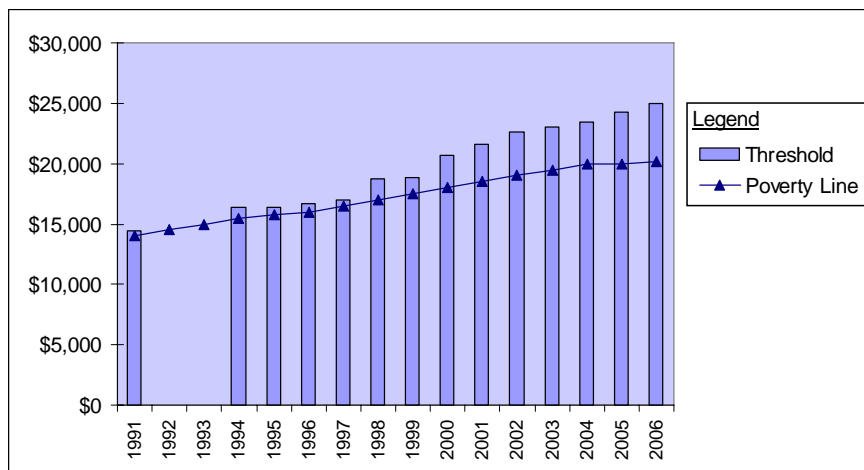
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$16,079): \$416 refund 34
- For families of four with incomes at the poverty line (\$20,615): \$373 refund 36
- For families of three with minimum-wage earnings (\$12,827): \$635 refund 34
- For families of three with incomes at 125% of poverty line (\$20,099): \$73 refund 33
- For families of four with incomes at 125% of poverty line (\$25,769): \$64 24

Wisconsin has consistently exempted families with below-poverty earnings from the income tax.

- Since 1991, Wisconsin's income tax threshold for families of four has grown from 3 percent above the poverty line to 21 percent above the poverty line.
- Wisconsin's Earned Income Tax Credit provides poor families a tax refund to help them work their way out of poverty.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$14,400
1992	no data
1993	no data
1994	\$16,400
1995	\$16,400
1996	\$16,700
1997	\$17,000
1998	\$18,700
1999	\$18,800
2000	\$20,700
2001	\$21,600
2002	\$22,600
2003	\$23,000
2004	\$23,400
2005	\$24,300
2006	\$25,000