

# West Virginia

## Working-Poor Families in West Virginia Are Hit Harder by the Income Tax Than Those in Most Other States

### West Virginia'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: \$10,000 4
- For two-parent families of four: \$10,000 2

### West Virginia's 2006 income tax levied on working-poor and near-poor families

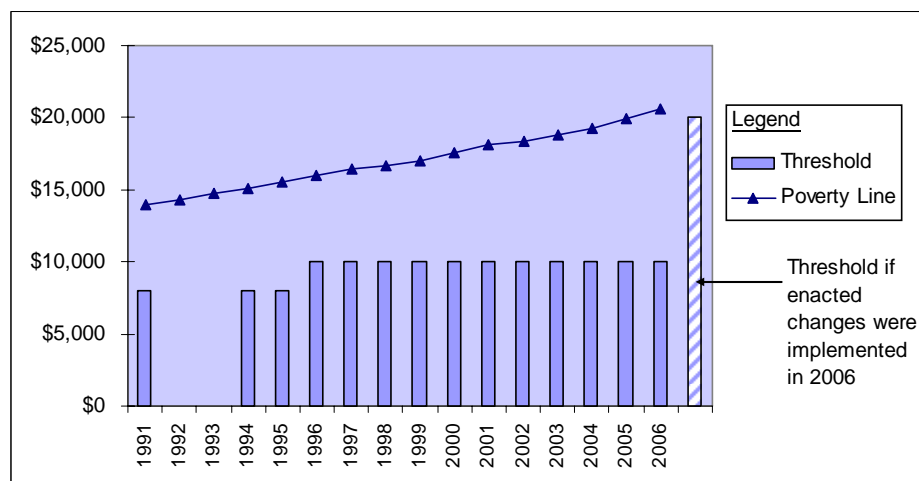
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$16,079): \$302 3
- For families of four with incomes at the poverty line (\$20,615): \$406 4
- For families of three with minimum-wage earnings (\$10,712): \$143 3
- For families of three with incomes at 125% of poverty line (\$20,099): \$462 6
- For families of four with incomes at 125% of poverty line (\$25,769): \$610 7

### West Virginia's income tax treatment of poor families will improve substantially beginning in 2007.

- West Virginia's tax threshold for families of four has been fixed at \$10,000 since 1996. It has deteriorated over that time from 62 percent of the poverty line to 50 percent of the poverty line.
- A new low-income tax credit enacted in late 2006 will reduce income tax liabilities for most poor families in 2007 and eliminate them by 2008.

#### Income Tax Threshold for Family of Four



Year	Threshold
1991	\$8,000
1992	no data
1993	no data
1994	\$8,000
1995	\$8,000
1996	\$10,000
1997	\$10,000
1998	\$10,000
1999	\$10,000
2000	\$10,000
2001	\$10,000
2002	\$10,000
2003	\$10,000
2004	\$10,000
2005	\$10,000
2006	\$10,000