

Maine

Maine Exempts Working-Poor Families from Its Income Tax

Maine's 2005 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: \$22,500 32
- For two-parent families of four: \$25,700 34

Maine's 2005 income tax levied on working-poor and near-poor families

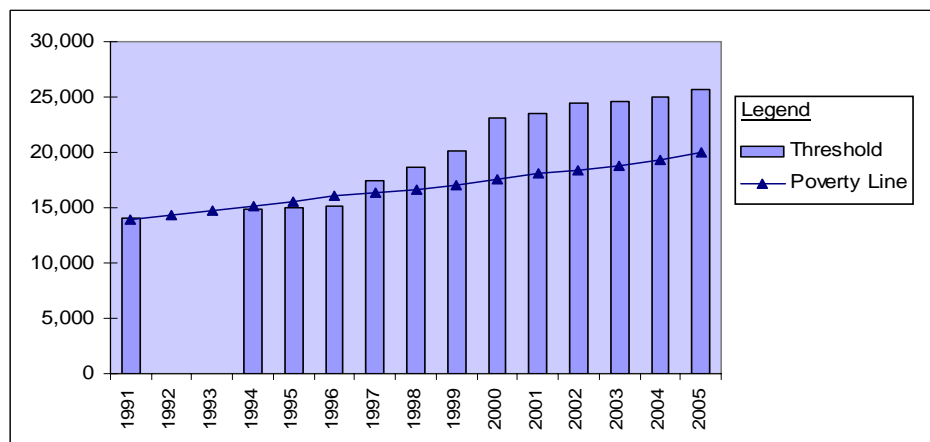
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$15,577): \$0 (tied for) 17
- For families of four with incomes at the poverty line (\$19,961): \$0 (tied for) 20
- For families of three with minimum-wage earnings (\$13,208): \$0 (tied for) 7
- For families of three with incomes at 125% of poverty line (\$19,471): \$0 (tied for) 28
- For families of four with incomes at 125% of poverty line (\$24,951): \$0 (tied for) 32

Maine's income tax has consistently exempted poor families.

- Since 1996, Maine's income tax threshold for families of four has grown steadily, from 5 percent below the poverty line to 29 percent above the poverty line.

Income Tax Threshold for Family of Four



Year	Threshold
1991	\$14,100
1992	no data
1993	no data
1994	\$14,800
1995	\$15,000
1996	\$15,200
1997	\$17,500
1998	\$18,700
1999	\$20,200
2000	\$23,100
2001	\$23,500
2002	\$24,400
2003	\$24,600
2004	\$25,000
2005	\$25,700