

# Wisconsin

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

### Wisconsin'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: \$20,200 31
- For two-parent families of four: \$24,300 31

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

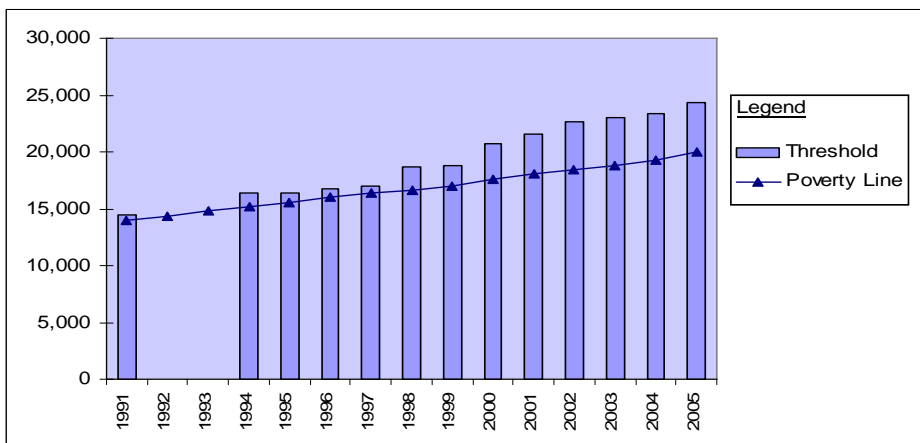
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$15,577): \$403 refund 34
- For families of four with incomes at the poverty line (\$19,961): \$369 refund 34
- For families of three with minimum-wage earnings (\$11,856): \$616 refund 34
- For families of three with incomes at 125% of poverty line (\$19,471): \$72 refund 33
- For families of four with incomes at 125% of poverty line (\$24,951): \$54 27

### 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 22 percent above the poverty line.
- Wisconsin's Earned Income Tax Credit provides poor and 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