

# District of Columbia

## The District of Columbia Treats Working-Poor Families Under Its Income Tax Better Than Most States

### D.C.'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: \$22,900 33
- For two-parent families of four: \$23,900 29

### D.C.'s 2005 income tax levied on working-poor and near-poor families

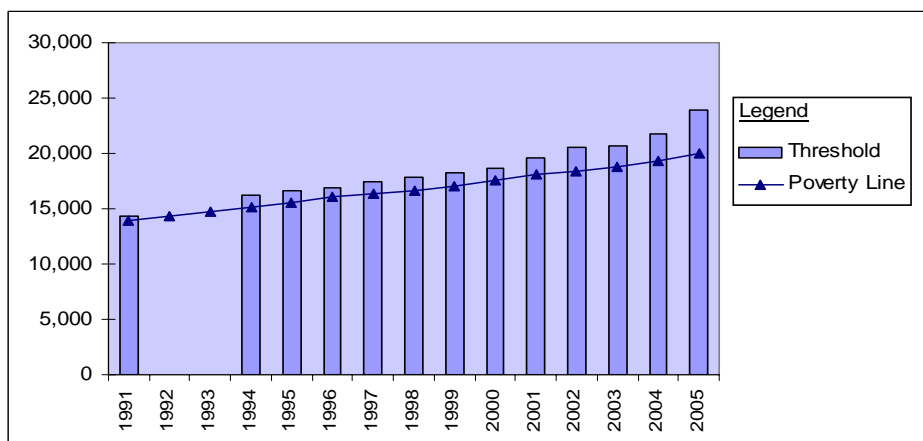
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$15,577): \$1,047 refund 39
- For families of four with incomes at the poverty line (\$19,961): \$588 refund 38
- For families of three with minimum-wage earnings (\$13,728): \$1,229 refund 40
- For families of three with incomes at 125% of poverty line (\$19,471): \$516 refund 38
- For families of four with incomes at 125% of poverty line (\$24,951): \$155 24

### D.C. has consistently exempted families with below-poverty earnings from its income tax.

- Since the early 1990's, D.C.'s tax threshold for a family of four has more than kept up with the poverty line.
- The recent expansion of D.C.'s Earned Income Tax Credit has increased its thresholds and the refund it provides to working-poor and near-poor families.

#### Income Tax Threshold for Family of Four



Year	Threshold
1991	\$14,300
1992	no data
1993	no data
1994	\$16,200
1995	\$16,600
1996	\$16,900
1997	\$17,500
1998	\$17,900
1999	\$18,200
2000	\$18,600
2001	\$19,600
2002	\$20,500
2003	\$20,700
2004	\$21,700
2005	\$23,900