

Idaho

Idaho Exempts Working-Poor Families from Income Tax

Idaho's 2006 income tax threshold

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

Rank among the 42 states with income taxes

(1 = lowest threshold)

- For single-parent families of three: \$17,500 (tied for) 18
- For two-parent families of four: \$22,600 (tied for) 22

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

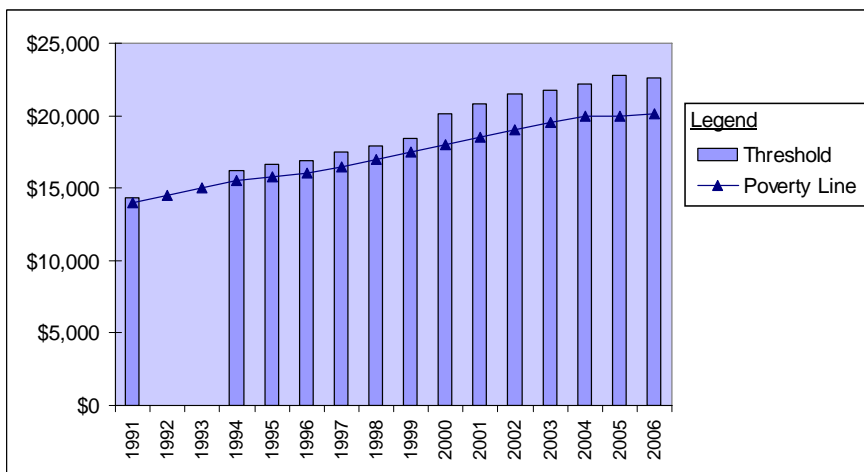
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$16,079): \$0 (tied for) 16
- For families of four with incomes at the poverty line (\$20,615): \$0 (tied for) 20
- For families of three with minimum-wage earnings (\$10,712): \$0 (tied for) 7
- For families of three with incomes at 125% of poverty line (\$20,099): \$47 23
- For families of four with incomes at 125% of poverty line (\$25,769): \$36 26

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

- In 1991, a family of four owed no tax until its income climbed to 3 percent above the poverty line. In 2006, Idaho's tax threshold was 14 percent above the poverty line.

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	\$18,400
2000	\$20,100
2001	\$20,800
2002	\$21,500
2003	\$21,800
2004	\$22,200
2005	\$22,800
2006	\$22,600