

Table 11: Income Tax-Free Levels of Income, Two Parent Family of Four, 2009 Tax Year

| Rank | State | Tax-Free Income Level (1) | Amount Above/Below Poverty Line (2) |
|------|-----------------|---------------------------|-------------------------------------|
| 1 | <i>New York</i> | <i>40,300</i> | <i>18,353</i> |
| 2 | New Mexico | 39,500 | 17,553 |
| 3 | Vermont | 38,700 | 16,753 |
| 4 | Minnesota | 37,400 | 15,453 |
| 5 | Maryland | 36,800 | 14,853 |
| 6 | Rhode Island | 36,500 | 14,553 |
| 7 | New Jersey | 36,300 | 14,353 |
| 8 | Nebraska | 33,200 | 11,253 |
| 9 | South Carolina | 32,400 | 10,453 |
| 10 | Pennsylvania | 32,000 | 10,053 |
| 11 | Delaware | 31,700 | 9,753 |
| 12 | California | 31,000 | 9,053 |
| 13 | Kansas | 30,400 | 8,453 |
| 14 | Massachusetts | 29,500 | 7,553 |
| 15 | Wisconsin | 28,600 | 6,653 |
| 16 | Maine | 28,200 | 6,253 |
| 17 | Virginia | 27,400 | 5,453 |
| 18 | Michigan | 26,600 | 4,653 |
| 19 | Utah | 26,500 | 4,553 |
| 20 | North Dakota | 26,300 | 4,353 |
| 21 | Idaho | 26,100 | 4,153 |
| 22 | Colorado | 26,000 | 4,053 |
| 23 | Oklahoma | 25,800 | 3,853 |
| 24 | Connecticut | 24,100 | 2,153 |
| 25 | Arizona | 23,600 | 1,653 |
| 26 | North Carolina | 23,200 | 1,253 |
| 27 | Kentucky | 22,100 | 153 |
| 28 | West Virginia | 22,100 | 153 |
| 29 | Arkansas | 21,400 | (547) |
| 30 | Louisiana | 21,000 | (947) |
| 31 | Indiana | 20,300 | (1,647) |
| 32 | Oregon | 19,800 | (2,147) |
| 33 | Mississippi | 19,600 | (2,347) |
| 34 | Iowa | 19,200 | (2,747) |
| 35 | Missouri | 18,100 | (3,847) |
| 36 | Hawaii | 17,800 | (4,147) |
| 37 | Illinois | 16,400 | (5,547) |
| 38 | Ohio | 16,200 | (5,747) |
| 39 | Georgia | 15,900 | (6,047) |
| 40 | Alabama | 12,600 | (9,347) |
| 41 | Montana | 12,000 | (9,947) |

(1) The tax-free income level is the level of income above which a family of four begins owing state income tax. Only deductions, exemptions and credits generally available to all taxpayers are included. Amounts are rounded to the nearest \$100.

(2) Amount of tax-free income level differs from the estimated 2009 poverty threshold of \$21,947 as noted by the U.S. Department of Commerce, Bureau of the Census, Poverty thresholds for 2009, issued in 2010.

Source: Center on Budget and Policy Priorities and OPA calculations.