

**Table 11: Income Tax-Free Levels of Income, Two Parent Family of Four, 2010 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>17,986</i>
2	New Mexico	39,500	17,186
3	Vermont	38,700	16,386
4	Minnesota	37,500	15,186
5	Maryland	36,800	14,486
6	Rhode Island	36,500	14,186
7	New Jersey	34,700	12,386
8	Nebraska	33,200	10,886
9	South Carolina	32,400	10,086
10	Pennsylvania	32,000	9,686
11	Delaware	31,800	9,486
12	California	31,000	8,686
13	Kansas	30,800	8,486
14	Michigan	30,300	7,986
15	Massachusetts	29,500	7,186
16	Wisconsin	28,500	6,186
17	Maine	28,200	5,886
18	Oklahoma	28,200	5,886
19	Virginia	27,400	5,086
20	Utah	26,500	4,186
21	Colorado	26,100	3,786
22	Idaho	26,100	3,786
23	North Dakota	26,000	3,686
24	Connecticut	24,100	1,786
25	Arizona	23,600	1,286
26	North Carolina	23,200	886
27	Kentucky	22,100	(214)
28	West Virginia	22,100	(214)
29	Arkansas	21,700	(614)
30	Louisiana	21,000	(1,314)
31	Indiana	20,300	(2,014)
32	Oregon	19,900	(2,414)
33	Mississippi	19,600	(2,714)
34	Iowa	19,300	(3,014)
35	Missouri	18,100	(4,214)
36	Hawaii	17,800	(4,514)
37	Illinois	16,400	(5,914)
38	Ohio	16,200	(6,114)
39	Georgia	15,900	(6,414)
40	Alabama	12,600	(9,714)
41	Montana	12,000	(10,314)

(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 2010 poverty threshold of \$22,314 as noted by the U.S. Department of Commerce, Bureau of the Census, Poverty thresholds for 2010, issued in 2011.

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