

Oregon

Working-Poor and Near-Poor Families in Oregon Are Hit Harder by the Income Tax Than Those in Most Other States

Oregon'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: \$14,200 13
- For two-parent families of four: \$16,900 13

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

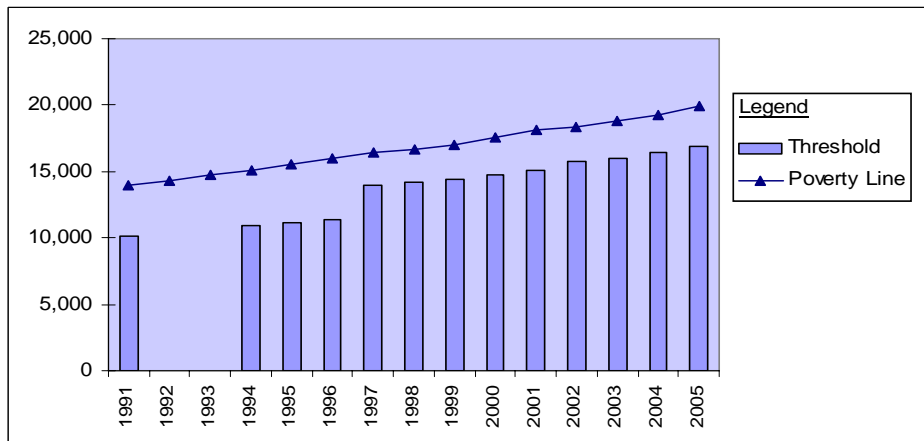
Rank (1 = highest tax)

- For families of three with incomes at the poverty line (\$15,577): \$117 8
- For families of four with incomes at the poverty line (\$19,961): \$310 6
- For families of three with minimum-wage earnings (\$15,080): \$77 4
- For families of three with incomes at 125% of poverty line (\$19,471): \$498 4
- For families of four with incomes at 125% of poverty line (\$24,951): \$813 2

Oregon has consistently levied income tax on working-poor families, and has charged them more than most other states.

- Oregon's tax threshold for families of four increased in 1997 with the adoption of a low-income tax credit. However, it remains below the poverty line.
- Oregon's Earned Income Tax Credit will become refundable in 2006 and will be increased in 2008, but the threshold will remain below the poverty line.

Income Tax Threshold for Family of Four



| Year | Threshold |
|------|-----------|
| 1991 | \$10,100 |
| 1992 | no data |
| 1993 | no data |
| 1994 | \$10,900 |
| 1995 | \$11,100 |
| 1996 | \$11,400 |
| 1997 | \$14,000 |
| 1998 | \$14,200 |
| 1999 | \$14,400 |
| 2000 | \$14,800 |
| 2001 | \$15,100 |
| 2002 | \$15,800 |
| 2003 | \$16,000 |
| 2004 | \$16,400 |
| 2005 | \$16,900 |