

Table T07-0132

Income, Payroll Taxes, and Income Taxes for Married Couples at the Poverty Threshold by Number of Children, 1970-2006

Year	Income at the Poverty Level by Number of Children				Payroll Taxes at the Poverty Level by Number of Children ¹				Income Taxes at the Poverty Level by Number of Children				Combined Income and Payroll Taxes at the Poverty Level by Number of Children			
	0	1	2	4	0	1	2	4	0	1	2	4	0	1	2	4
In Dollars																
1970	2,596	3,121	3,932	5,182	249	300	377	497	153	131	146	128	402	431	523	625
1980	5,514	6,628	8,351	11,004	676	813	1,024	1,349	16	-390	-73	225	692	423	951	1,574
1985	7,199	8,654	10,903	14,365	1,015	1,220	1,537	2,025	174	-67	351	533	1,189	1,153	1,888	2,558
1990	8,752	10,520	13,254	17,464	1,339	1,610	2,028	2,672	0	-953	-701	-280	1,339	657	1,327	2,392
1995	10,205	12,267	15,455	20,364	1,561	1,877	2,365	3,116	0	-1,938	-2,268	-1,276	1,561	-61	97	1,840
2000	11,531	13,861	17,463	23,009	1,764	2,121	2,672	3,520	0	-2,166	-2,883	-1,760	1,764	-45	-211	1,760
2001	11,859	14,255	17,960	23,664	1,814	2,181	2,748	3,621	0	-2,667	-3,778	-3,148	1,814	-486	-1,031	473
2002	12,047	14,480	18,244	24,038	1,843	2,215	2,791	3,678	-1	-2,919	-4,145	-3,504	1,842	-703	-1,354	174
2003	12,321	14,810	18,660	24,586	1,885	2,266	2,855	3,762	0	-2,965	-4,192	-3,537	1,885	-699	-1,337	225
2004	12,649	15,205	19,157	25,241	1,935	2,326	2,931	3,862	0	-2,941	-4,137	-3,464	1,935	-615	-1,206	397
2005	13,078	15,720	19,806	26,096	2,001	2,405	3,030	3,993	-51	-3,370	-4,997	-4,616	1,950	-965	-1,967	-623
2006	13,500	16,227	20,444	26,938	2,066	2,483	3,128	4,122	-47	-3,486	-5,142	-4,749	2,018	-1,004	-2,014	-627
As Share of Wages																
1970	100	100	100	100	9.6	9.6	9.6	9.6	5.9	4.2	3.7	2.5	15.5	13.8	13.3	12.1
1980	100	100	100	100	12.3	12.3	12.3	12.3	0.3	-5.9	-0.9	2.0	12.6	6.4	11.4	14.3
1985	100	100	100	100	14.1	14.1	14.1	14.1	2.4	-0.8	3.2	3.7	16.5	13.3	17.3	17.8
1990	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-9.1	-5.3	-1.6	15.3	6.2	10.0	13.7
1995	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-15.8	-14.7	-6.3	15.3	-0.5	0.6	9.0
2000	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-15.6	-16.5	-7.6	15.3	-0.3	-1.2	7.7
2001	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-18.7	-21.0	-13.3	15.3	-3.4	-5.7	2.0
2002	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-20.2	-22.7	-14.6	15.3	-4.9	-7.4	0.7
2003	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-20.0	-22.5	-14.4	15.3	-4.7	-7.2	0.9
2004	100	100	100	100	15.3	15.3	15.3	15.3	0.0	-19.3	-21.6	-13.7	15.3	-4.0	-6.3	1.6
2005	100	100	100	100	15.3	15.3	15.3	15.3	-0.4	-21.4	-25.2	-17.7	14.9	-6.1	-9.9	-2.4
2006	100	100	100	100	15.3	15.3	15.3	15.3	-0.4	-21.5	-25.2	-17.6	14.9	-6.2	-9.9	-2.3

Source: 1970-1995, Sammartino and Toder, *Social Policy in the Tax System, 2002*; 2000, Kobes and Maag, *Tax Burden on Poor Families Has Declined Over Time*, 2003; 2001-2006, Urban-Brookings Tax Policy Center Microsimulation Model (version 1006-2).

Assumptions: (1) All children qualify for the dependency exemption, the earned income tax credit, and the child tax credit; (2) Households do not claim any other tax credits (such as the dependent care credit, adoption credit, or education tax credits); (3) Itemized deductions are assumed to be 21 percent of adjusted gross income (AGI), which was the average ratio for itemizers in 2004; (4) All income is assumed to come from wages; (5) Householders are under age 65.

(1) Includes both the employee and employer shares of the payroll tax