

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Alabama Congressional District 3 | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$577

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$305
Families with Children	\$730
Joint Filers with 2+ Children	\$1,402
Households without Children	\$514
Seniors (65+)	\$944

ILLUSTRATIVE HOUSEHOLDS

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX CHANGE
Retired federal worker couple	Social Security based on national average annual benefits (\$24,852 and \$11,808); pension modeled as \$25,000 and \$20,000 in taxable retirement income	\$1,565
Single restaurant server	\$22,614 median local wage; tips assumed at 45% of earnings; no children	\$52
Teacher and office clerk family	\$62,722 and \$32,638 median local wages; married couple with 2 children	\$597
Single nurse with overtime	\$77,907 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,280
Single-parent home health aide	\$27,483 median local wage; 1 child	Tax increase of \$475
Electrician family	One earner at \$54,343 median local wage; married couple with 1 child	\$510
Plumber family	One earner at \$56,366 median local wage; married couple with 1 child	\$487
Construction worker family	One earner at \$37,477 median local wage; married couple with 1 child	\$351
Police officer family		\$697

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX CHANGE
	One earner at \$59,878 median local wage; married couple with 2 children	
Firefighter family	One earner at \$49,202 median local wage; married couple with 2 children	\$656
Truck driver and home health aide family	\$51,900 and \$27,483 median local wages; married couple with 2 children	\$677

Methodology: Average tax changes are modeled using Tax-Calculator. Illustrative household examples are modeled in PolicyEngine using geography-specific wage inputs where available and do not reflect geography-wide averages.