

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Alabama Congressional District 4 | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$636

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$317
Families with Children	\$835
Joint Filers with 2+ Children	\$1,487
Households without Children	\$554
Seniors (65+)	\$984

ILLUSTRATIVE HOUSEHOLDS

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
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	\$22,765 median local wage; tips assumed at 45% of earnings; no children	\$52
Teacher and office clerk family	\$62,110 and \$33,256 median local wages; married couple with 2 children	\$597
Single nurse with overtime	\$76,862 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,269
Single-parent home health aide	\$28,309 median local wage; 1 child	\$59
Electrician family	One earner at \$56,391 median local wage; married couple with 1 child	\$487
Plumber family	One earner at \$58,636 median local wage; married couple with 1 child	\$487
Construction worker family	One earner at \$37,967 median local wage; married couple with 1 child	\$351
Police officer family	One earner at \$62,174 median local wage; married couple with 2 children	\$697

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$53,264 median local wage; married couple with 2 children	\$697
Truck driver and home health aide family	\$52,487 and \$28,309 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.

America First Policy Institute