

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Arkansas Congressional District 2 | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$729

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$357
Families with Children	\$941
Joint Filers with 2+ Children	\$1,775
Households without Children	\$645
Seniors (65+)	\$1,120

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	\$1,672
Single restaurant server	\$27,251 median local wage; tips assumed at 45% of earnings; no children	\$42
Teacher and office clerk family	\$56,823 and \$38,575 median local wages; married couple with 2 children	\$682
Single nurse with overtime	\$82,185 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,069
Single-parent home health aide	\$27,765 median local wage; 1 child	Tax increase of \$118
Electrician family	One earner at \$50,507 median local wage; married couple with 1 child	\$306
Plumber family	One earner at \$51,650 median local wage; married couple with 1 child	\$306
Construction worker family	One earner at \$37,741 median local wage; married couple with 1 child	\$668
Police officer family		\$506

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX CHANGE
	One earner at \$59,309 median local wage; married couple with 2 children	
Firefighter family	One earner at \$50,116 median local wage; married couple with 2 children	\$506
Truck driver and home health aide family	\$57,909 and \$27,765 median local wages; married couple with 2 children	\$506

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.