

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Indiana Congressional District 7 | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$700

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$389
Families with Children	\$970
Joint Filers with 2+ Children	\$1,902
Households without Children	\$595
Seniors (65+)	\$954

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	\$1,530
Single restaurant server	\$29,011 median local wage; tips assumed at 45% of earnings; no children	Tax increase of \$36
Teacher and office clerk family	\$62,577 and \$46,677 median local wages; married couple with 2 children	\$739
Single nurse with overtime	\$83,708 median local wage; overtime pay assumed at 5% of earnings; no children	\$2,019
Single-parent home health aide	\$32,419 median local wage; 1 child	\$241
Electrician family	One earner at \$66,011 median local wage; married couple with 1 child	\$553
Plumber family	One earner at \$65,661 median local wage; married couple with 1 child	\$553
Construction worker family	One earner at \$51,547 median local wage; married couple with 1 child	\$352
Police officer family		\$753

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX CHANGE
	One earner at \$83,080 median local wage; married couple with 2 children	
Firefighter family	One earner at \$68,245 median local wage; married couple with 2 children	\$753
Truck driver and home health aide family	\$63,571 and \$32,419 median local wages; married couple with 2 children	\$753

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.