

WORKING FAMILIES TAX CUT

# Benefits to Families from the Working Families Tax Cut

New Mexico Congressional District 1 | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$627

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$339
Families with Children	\$819
Joint Filers with 2+ Children	\$1,619
Households without Children	\$560
Seniors (65+)	\$1,062

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	\$1,524
Single restaurant server	\$31,338 median local wage; tips assumed at 45% of earnings; no children	\$74
Teacher and office clerk family	\$69,840 and \$37,381 median local wages; married couple with 2 children	\$773
Single nurse with overtime	\$90,863 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,382
Single-parent home health aide	\$28,198 median local wage; 1 child	\$27
Electrician family	One earner at \$58,568 median local wage; married couple with 1 child	\$364
Plumber family	One earner at \$61,420 median local wage; married couple with 1 child	\$573
Construction worker family	One earner at \$39,656 median local wage; married couple with 1 child	\$286
Police officer family	One earner at \$65,208 median local wage; married couple with 2 children	\$773

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
<b>Firefighter family</b>	One earner at \$44,186 median local wage; married couple with 2 children	\$547
<b>Truck driver and home health aide family</b>	\$49,786 and \$28,198 median local wages; married couple with 2 children	\$773

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**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.

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