

WORKING FAMILIES TAX CUT

# Benefits to Families from the Working Families Tax Cut

Colorado | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

**\$1,096**

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$670
Families with Children	\$1,812
Joint Filers with 2+ Children	\$2,842
Households without Children	\$881
Seniors (65+)	\$1,389

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	\$1,499
Single restaurant server	\$36,022 median local wage; tips assumed at 45% of earnings; no children	\$489
Teacher and office clerk family	\$64,131 and \$57,806 median local wages; married couple with 2 children	\$781
Single nurse with overtime	\$99,367 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,585
Single-parent home health aide	\$38,524 median local wage; 1 child	\$322
Electrician family	One earner at \$63,921 median local wage; married couple with 1 child	\$388
Plumber family	One earner at \$65,486 median local wage; married couple with 1 child	\$388
Construction worker family	One earner at \$47,995 median local wage; married couple with 1 child	\$322
Police officer family	One earner at \$98,934 median local wage; married couple with 2 children	\$1,172

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
<b>Firefighter family</b>	One earner at \$78,818 median local wage; married couple with 2 children	\$588
<b>Truck driver and home health aide family</b>	\$62,037 and \$38,524 median local wages; married couple with 2 children	\$1,172

---

**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**