

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

District of Columbia | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$1,574

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$619
Families with Children	\$2,424
Joint Filers with 2+ Children	\$6,960
Households without Children	\$1,349
Seniors (65+)	\$1,799

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	\$1,547
Single restaurant server	\$47,120 median local wage; tips assumed at 45% of earnings; no children	\$859
Teacher and office clerk family	\$88,223 and \$54,676 median local wages; married couple with 2 children	\$838
Single nurse with overtime	\$107,634 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,573
Single-parent home health aide	\$40,583 median local wage; 1 child	\$294
Electrician family	One earner at \$84,367 median local wage; married couple with 1 child	\$416
Plumber family	One earner at \$84,367 median local wage; married couple with 1 child	\$416
Construction worker family	One earner at \$50,981 median local wage; married couple with 1 child	\$416
Police officer family	One earner at \$90,935 median local wage; married couple with 2 children	\$616

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$81,773 median local wage; married couple with 2 children	\$616
Truck driver and home health aide family	\$65,486 and \$40,583 median local wages; married couple with 2 children	\$616

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