

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Kentucky | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$666

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$311
Families with Children	\$917
Joint Filers with 2+ Children	\$1,633
Households without Children	\$570
Seniors (65+)	\$1,026

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	\$1,536
Single restaurant server	\$22,917 median local wage; tips assumed at 45% of earnings; no children	\$19
Teacher and office clerk family	\$60,683 and \$37,072 median local wages; married couple with 2 children	\$699
Single nurse with overtime	\$82,267 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,202
Single-parent home health aide	\$35,837 median local wage; 1 child	\$294
Electrician family	One earner at \$61,245 median local wage; married couple with 1 child	\$358
Plumber family	One earner at \$64,210 median local wage; married couple with 1 child	\$447
Construction worker family	One earner at \$46,677 median local wage; married couple with 1 child	\$358
Police officer family		\$558

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX CHANGE
	One earner at \$62,006 median local wage; married couple with 2 children	
Firefighter family	One earner at \$38,235 median local wage; married couple with 2 children	Tax increase of \$1,039
Truck driver and home health aide family	\$57,230 and \$35,837 median local wages; married couple with 2 children	\$699

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.