

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Michigan | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$765

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$373
Families with Children	\$1,124
Joint Filers with 2+ Children	\$1,948
Households without Children	\$651
Seniors (65+)	\$1,108

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	\$1,526
Single restaurant server	\$37,000 median local wage; tips assumed at 45% of earnings; no children	\$445
Teacher and office clerk family	\$64,570 and \$45,246 median local wages; married couple with 2 children	\$745
Single nurse with overtime	\$88,197 median local wage; overtime pay assumed at 5% of earnings; no children	\$2,128
Single-parent home health aide	\$34,395 median local wage; 1 child	\$284
Electrician family	One earner at \$74,824 median local wage; married couple with 1 child	\$420
Plumber family	One earner at \$79,302 median local wage; married couple with 1 child	\$420
Construction worker family	One earner at \$50,106 median local wage; married couple with 1 child	\$349
Police officer family	One earner at \$76,615 median local wage; married couple with 2 children	\$620

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$57,209 median local wage; married couple with 2 children	\$620
Truck driver and home health aide family	\$56,766 and \$34,395 median local wages; married couple with 2 children	\$720

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