

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Washington | Tax Year 2025

ESTIMATED AVERAGE TAX CUT

\$1,056

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$585
Families with Children	\$1,533
Joint Filers with 2+ Children	\$2,361
Households without Children	\$903
Seniors (65+)	\$1,469

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	\$1,573
Single restaurant server	\$48,891 median local wage; tips assumed at 45% of earnings; no children	\$1,055
Teacher and office clerk family	\$102,183 and \$51,392 median local wages; married couple with 2 children	\$859
Single nurse with overtime	\$115,489 median local wage; overtime pay assumed at 5% of earnings; no children	\$1,652
Single-parent home health aide	\$47,501 median local wage; 1 child	\$443
Electrician family	One earner at \$99,377 median local wage; married couple with 1 child	\$395
Plumber family	One earner at \$81,402 median local wage; married couple with 1 child	\$395
Construction worker family	One earner at \$58,928 median local wage; married couple with 1 child	\$395
Police officer family	One earner at \$105,667 median local wage; married couple with 2 children	\$883

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$96,248 median local wage; married couple with 2 children	\$595
Truck driver and home health aide family	\$65,641 and \$47,501 median local wages; married couple with 2 children	\$883

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