

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Alaska | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$3,003

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$2,175
Families with Children	\$4,772
Joint Filers with 2+ Children	\$7,208
Households without Children	\$2,401
Seniors (65+)	\$3,260

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	\$4,570
Single restaurant server	\$29,008 median local wage; tips assumed at 45% of earnings; no children	\$836
Teacher and office clerk family	\$81,383 and \$54,477 median local wages; married couple with 2 children	\$9,955
Single nurse with overtime	\$117,316 median local wage; overtime pay assumed at 5% of earnings; no children	\$6,026
Single-parent home health aide	\$40,667 median local wage; 1 child	\$2,810
Electrician family	One earner at \$86,760 median local wage; married couple with 1 child	\$4,842
Plumber family	One earner at \$88,064 median local wage; married couple with 1 child	\$4,878
Construction worker family	One earner at \$61,440 median local wage; married couple with 1 child	\$4,027
Police officer family	One earner at \$106,304 median local wage; married couple with 2 children	\$7,556

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$67,004 median local wage; married couple with 2 children	\$5,382
Truck driver and home health aide family	\$68,774 and \$40,667 median local wages; married couple with 2 children	\$7,632

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