

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

Arkansas | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$2,033

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,182
Families with Children	\$2,956
Joint Filers with 2+ Children	\$5,323
Households without Children	\$1,649
Seniors (65+)	\$2,358

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	\$4,352
Single restaurant server	\$27,927 median local wage; tips assumed at 45% of earnings; no children	\$648
Teacher and office clerk family	\$57,629 and \$38,664 median local wages; married couple with 2 children	\$6,239
Single nurse with overtime	\$81,747 median local wage; overtime pay assumed at 5% of earnings; no children	\$4,622
Single-parent home health aide	\$28,733 median local wage; 1 child	\$2,239
Electrician family	One earner at \$52,378 median local wage; married couple with 1 child	\$3,050
Plumber family	One earner at \$52,675 median local wage; married couple with 1 child	\$3,062
Construction worker family	One earner at \$39,236 median local wage; married couple with 1 child	\$3,586
Police officer family	One earner at \$50,969 median local wage; married couple with 2 children	\$4,097

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$44,620 median local wage; married couple with 2 children	\$4,114
Truck driver and home health aide family	\$52,484 and \$28,733 median local wages; married couple with 2 children	\$5,439

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