

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

California | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$2,138

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,471
Families with Children	\$3,572
Joint Filers with 2+ Children	\$6,358
Households without Children	\$1,615
Seniors (65+)	\$2,400

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	\$4,322
Single restaurant server	\$37,402 median local wage; tips assumed at 45% of earnings; no children	\$1,137
Teacher and office clerk family	\$104,016 and \$50,789 median local wages; married couple with 2 children	\$11,599
Single nurse with overtime	\$148,730 median local wage; overtime pay assumed at 5% of earnings; no children	\$7,995
Single-parent home health aide	\$36,671 median local wage; 1 child	\$2,575
Electrician family	One earner at \$81,122 median local wage; married couple with 1 child	\$4,463
Plumber family	One earner at \$72,484 median local wage; married couple with 1 child	\$4,228
Construction worker family	One earner at \$64,164 median local wage; married couple with 1 child	\$4,019
Police officer family	One earner at \$122,308 median local wage; married couple with 2 children	\$5,593

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$88,392 median local wage; married couple with 2 children	\$5,861
Truck driver and home health aide family	\$63,539 and \$36,671 median local wages; married couple with 2 children	\$6,154

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