

WORKING FAMILIES TAX CUT

# Benefits to Families from the Working Families Tax Cut

Colorado | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

**\$2,811**

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,873
Families with Children	\$4,848
Joint Filers with 2+ Children	\$7,668
Households without Children	\$2,199
Seniors (65+)	\$2,990

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	\$4,141
Single restaurant server	\$37,085 median local wage; tips assumed at 45% of earnings; no children	\$1,602
Teacher and office clerk family	\$66,023 and \$59,511 median local wages; married couple with 2 children	\$7,054
Single nurse with overtime	\$102,298 median local wage; overtime pay assumed at 5% of earnings; no children	\$6,143
Single-parent home health aide	\$39,660 median local wage; 1 child	\$3,233
Electrician family	One earner at \$65,807 median local wage; married couple with 1 child	\$4,630
Plumber family	One earner at \$67,418 median local wage; married couple with 1 child	\$4,725
Construction worker family	One earner at \$49,411 median local wage; married couple with 1 child	\$3,570
Police officer family	One earner at \$101,853 median local wage; married couple with 2 children	\$7,918

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
<b>Firefighter family</b>	One earner at \$81,143 median local wage; married couple with 2 children	\$5,962
<b>Truck driver and home health aide family</b>	\$63,867 and \$39,660 median local wages; married couple with 2 children	\$7,964

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**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.

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**America First Policy Institute**