

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

New Jersey | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$2,675

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,733
Families with Children	\$4,575
Joint Filers with 2+ Children	\$8,026
Households without Children	\$2,015
Seniors (65+)	\$2,613

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	\$4,110
Single restaurant server	\$41,038 median local wage; tips assumed at 45% of earnings; no children	\$1,446
Teacher and office clerk family	\$83,063 and \$50,852 median local wages; married couple with 2 children	\$9,138
Single nurse with overtime	\$108,879 median local wage; overtime pay assumed at 5% of earnings; no children	\$5,941
Single-parent home health aide	\$39,300 median local wage; 1 child	\$3,313
Electrician family	One earner at \$77,465 median local wage; married couple with 1 child	\$4,438
Plumber family	One earner at \$81,779 median local wage; married couple with 1 child	\$4,556
Construction worker family	One earner at \$66,973 median local wage; married couple with 1 child	\$4,134
Police officer family	One earner at \$94,359 median local wage; married couple with 2 children	\$6,359

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$92,907 median local wage; married couple with 2 children	\$6,320
Truck driver and home health aide family	\$68,594 and \$39,300 median local wages; married couple with 2 children	\$6,726

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