

WORKING FAMILIES TAX CUT

Benefits to Families from the Working Families Tax Cut

South Dakota | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$3,264

KEY GROUPS

KEY GROUP	AVERAGE TAX SAVINGS
Head of Household	\$1,987
Families with Children	\$5,169
Joint Filers with 2+ Children	\$7,701
Households without Children	\$2,626
Seniors (65+)	\$3,424

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	\$3,944
Single restaurant server	\$30,821 median local wage; tips assumed at 45% of earnings; no children	\$865
Teacher and office clerk family	\$52,346 and \$39,056 median local wages; married couple with 2 children	\$6,065
Single nurse with overtime	\$73,671 median local wage; overtime pay assumed at 5% of earnings; no children	\$4,401
Single-parent home health aide	\$38,982 median local wage; 1 child	\$3,459
Electrician family	One earner at \$62,055 median local wage; married couple with 1 child	\$3,895
Plumber family	One earner at \$53,830 median local wage; married couple with 1 child	\$3,325
Construction worker family	One earner at \$46,072 median local wage; married couple with 1 child	\$2,706
Police officer family	One earner at \$63,910 median local wage; married couple with 2 children	\$4,929

HOUSEHOLD EXAMPLE	ASSUMPTIONS	ANNUAL TAX RELIEF
Firefighter family	One earner at \$50,365 median local wage; married couple with 2 children	\$4,294
Truck driver and home health aide family	\$60,285 and \$38,982 median local wages; married couple with 2 children	\$6,285

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