



First-Year Filings: Tax Cuts Mean More Money in Americans' Pockets this Tax Season

April 15, 2026

Due to President Trump's leadership in the passage of the Working Families Tax Cuts, Americans will see the largest refunds in history this tax-day. The legislation made permanent the reduced income tax rates implemented under the Tax Cuts and Jobs Act (TCJA), restored and strengthened business tax cuts, and increased refunds through added benefits on top of the already low rates.

These new and enhanced provisions include No Taxes on Tips, No Taxes on Overtime, No Taxes on Social Security, No Tax on Car Loan Interest, an Enhanced Child Tax Credit, and an increase in the standard deduction. Countless Americans are taking these deductions, resulting in hundreds if not thousands of dollars per year in extra tax savings.

- **Over 53 million filers** (nearly 45%) claimed at least one of President Trump's signature new tax cuts.
- The **average refund** this filing season is over **\$3,400**, an **increase of 11 percent** compared to last filing season.
- The **average tax cut for filers benefitting from one of President Trump's signature tax cuts is over \$800**.
- **Over 6 million filers** have claimed **No Tax on Tips**, with an **average deduction of over \$7,100**.
- **Over 25 million filers** have claimed **No Tax on Overtime**, with an **average deduction of over \$3,100**.
- **Over 30 million seniors** have claimed the **Enhanced Deduction for Seniors**, with an **average deduction of over \$7,500**.
- **Over 1 million filers** have claimed **No Tax on Car Loan Interest**, with an **average deduction of over \$1,800**.
- **5 million Trump Accounts have been opened**, with **1.2 million eligible** for the **\$1,000 pilot program contribution**.
- **Over 34 million families** have claimed the **enhanced Child Tax Credit**, which is permanently doubled and expanded by the Working Families Tax Cuts.
- **Over 105 million filers** have claimed the **permanently Doubled Standard Deduction**, simplifying tax filing for millions across America.

- Per CEA analysis, Households received an average tax cut of almost \$1100 relative to if TCJA were not to expire, and about \$2400 relative to if it were to have expired.

The lower individual rates and reduced rates on businesses are also bringing strong investment and enticing workers to come off the sidelines and into the labor force. As a result, prime age male and female labor force participation have reached their highest level in decades (female prime-age labor force participation reached its highest level ever in March). Thanks to the President's policies, the American economy is experiencing higher employment and faster GDP growth, setting the nation on a path to fiscal balance and prosperity. CEA found in its [reports on the tax](#) reforms last summer that, relative to TCJA expiration at the end of 2025, implementation of the bill would:

- Raise the level of GDP by almost 5 percent over the coming four years.



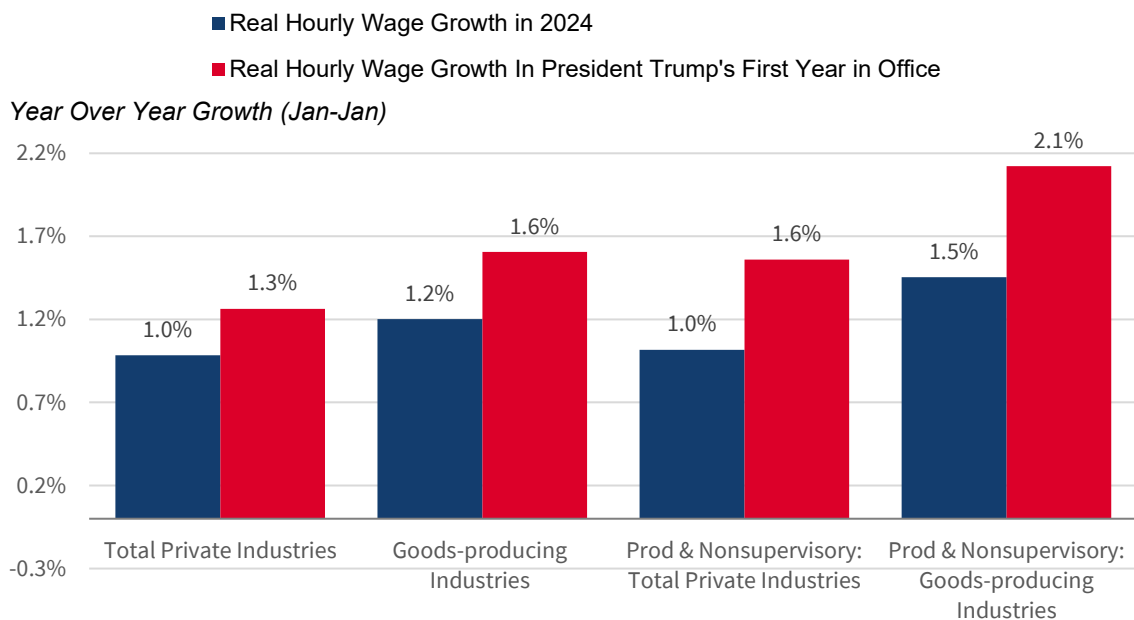
- Increase annual take-home pay for a typical family with two children by between \$7,500 and \$11,000 over the next four years.
- Reduce the deficit by \$8.5 to \$11 trillion.

The growth effects stemming from the passage of President Trump’s historic tax cuts are in large part the result of the surge of investment that will occur due to the pro-business incentives in the package, including the restoration of full equipment expensing for businesses, the initiation of full R&D expensing, full expensing for manufacturing structures, the extension of the 199-A passthrough deduction for small businesses, and more. These incentives are estimated to:

- Increase the level of investment over the next four years by 7-10 percent.
- Raise equipment investment in the first year by about 4 percent, intellectual property investment by about 9 percent, and non-residential structures by about 22 percent.

The passage of the Working Families Tax Cuts last year provided financial relief to hardworking Americans. Tax refunds this year will be the largest in history due to this historic legislation, and economic growth is expected to accelerate bringing prosperity to all Americans. The Golden Age is upon us, and the best is yet to come.

Real Wage Growth Surges Under President Trump



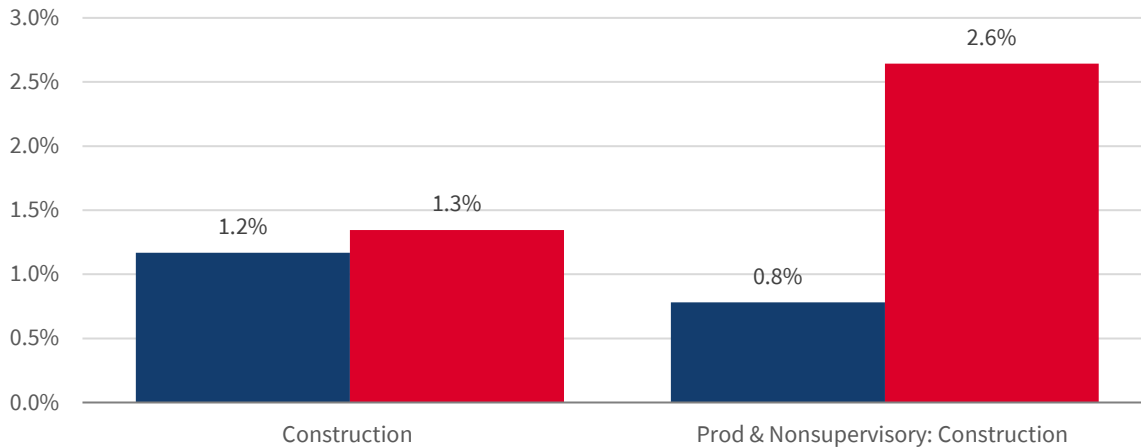
Source: CEA Analysis of BLS Data, Production and Nonsupervisory Wage Growth Deflated Using CPI-W



Non-Supervisory Construction Worker Wages Rise Sharply in 2025

- Real Hourly Wage Growth in 2024
- Real Hourly Wage Growth In President Trump's First Year in Office

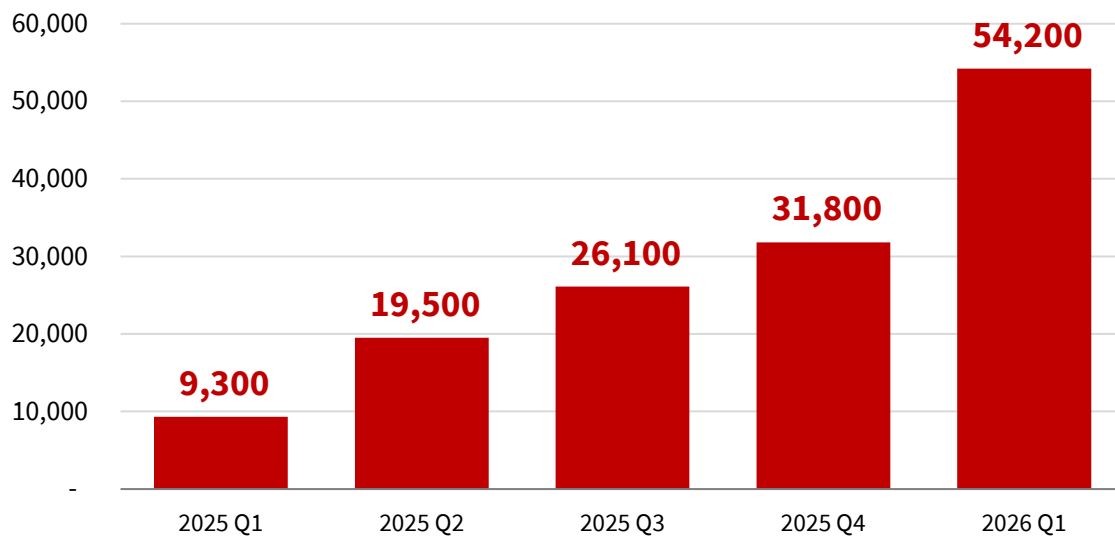
Year Over Year Growth (Jan-Jan)



Source: CEA Analysis of BLS Data, Production and Nonsupervisory Wage Growth Deflated Using CPI-W

Factory Construction Soars Under President Trump

Gain in employment, non-residential specialty trade construction, cumulative since Jan. 2025



Note: CEA analysis of BLS data.



Capital goods make up a record-breaking share of all goods imports.

Capital goods imports (ex automobiles) as a share of all goods imports (percent)



Note: CEA analysis of BEA data.