



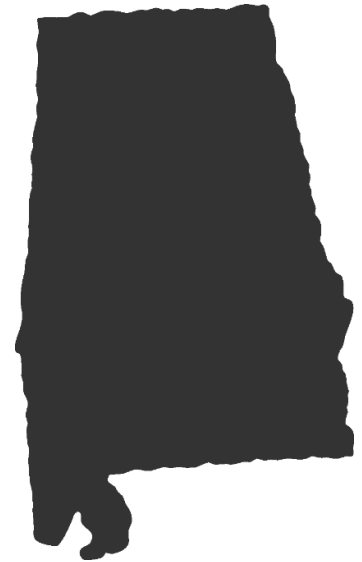
United States House Committee on

Ways & Means
CHAIRMAN JASON SMITH

Key Individual Tax Policies from the Trump Tax Cuts Set to Expire for Alabama Constituents

Tax Hikes Looming for Alabama Residents on December 31, 2025:

- Alabama is home to **2,850,540** taxpayers.
- The average taxpayer in Alabama would see a **24% tax hike** if the Trump Tax Cuts expire.
- A **family of 4** making \$62,212, the median income in Alabama, would see a **\$1,143** tax increase if the Trump Tax Cuts expire.
 - This is worth about **7 weeks of groceries** to a typical family of 4 in the region.



Impact on Alabama Residents by the Numbers

566,380

Alabama families would see their household's Child Tax Credit cut in half.

93%

of Alabama taxpayers would see their Guaranteed Deduction slashed in half.

269,650

Small Businesses in Alabama would be hit with a 43.4% tax rate if the 199A Small Business Deduction expires.

36,227

Alabama taxpayers would be impacted by the return of the Alternative Minimum Tax.

36,241

Family-Owned Farms in Alabama would have their Death Tax Exemption slashed in half next year.











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Tax Cuts for Individuals and Families in Alabama that Expire in 2025:

Projected Tax Rates		
Income	Current Rate	Scheduled Tax Rate
\$12,150	10% 	15%
\$49,425	12% 	15%
\$105,375	22% 	25%
\$201,150	24% 	28%
\$255,450	32% 	33%
\$638,625	35% 	39.6%

Current Law	Scheduled
Guaranteed Deduction Cut	
\$15,300 – Single \$30,600 – Married	\$8,300 – Single \$16,600 – Married
Child Tax Credit Cut	
\$2,000 per child w/ SSN Requirement	\$1,000 per child w/ <u>NO</u> SSN Requirement
Alternative Minimum Tax Returns	
Currently impacts 200,000 Taxpayers	Would impact 7.6 million Taxpayers
40% Death Tax with Exemption Cut	
\$13.61m – Single \$27.22m – Married	\$7.13m – Single \$14.26m – Married

