Welfare Benefits and Benefit Reduction Rates

- Welfare at 100% Benefit Reduction Rate
- Welfare at 50% Benefit Reduction Rate
- Welfare at 25% Benefit Reduction Rate

Aggregate Welfare Benefits vs. Earnings graph.
The Income Effect of Welfare

The graph shows the aggregate welfare benefits at different earnings levels for two scenarios: Welfare at 50% Benefit Reduction Rate (blue line) and Welfare at 50% Benefit Reduction Rate (red line). The y-axis represents aggregate welfare benefits, ranging from $0 to $25,000, and the x-axis represents earnings, ranging from $0 to $40,000.
Total Annual Means-tested Benefits
Single Mother with Two School Age Children

Total Benefits

- Basic Benefits Plus TANF
- Basic Benefits Plus Subsidized Housing
- Basic Benefits: SNAP, EITC, ACTC, School Lunch (2), School Breakfast (1), Medicaid or Obamacare

Earnings