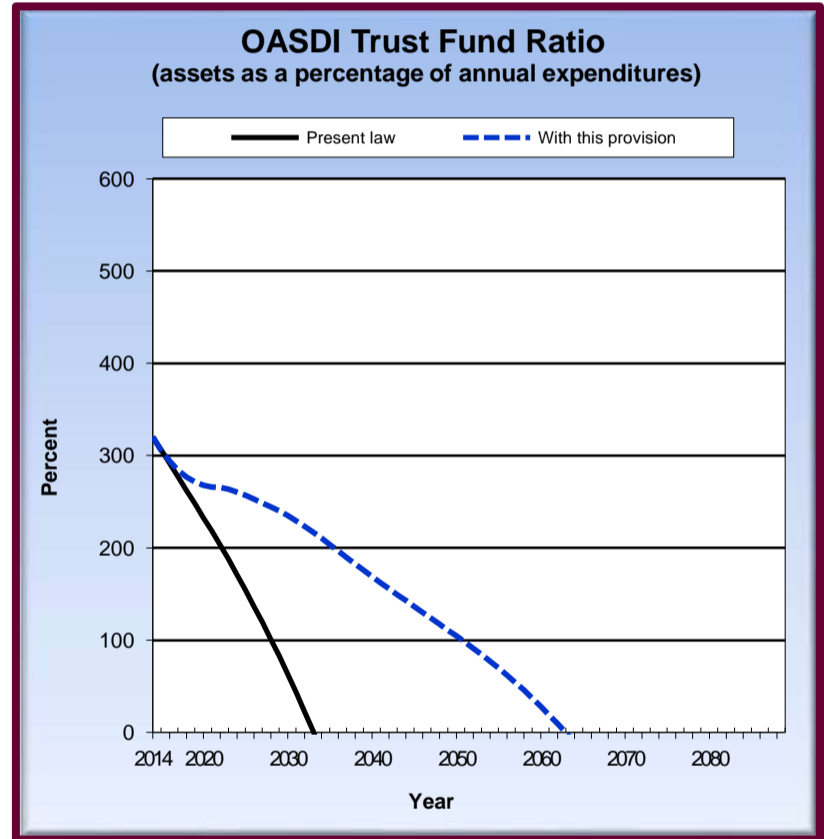
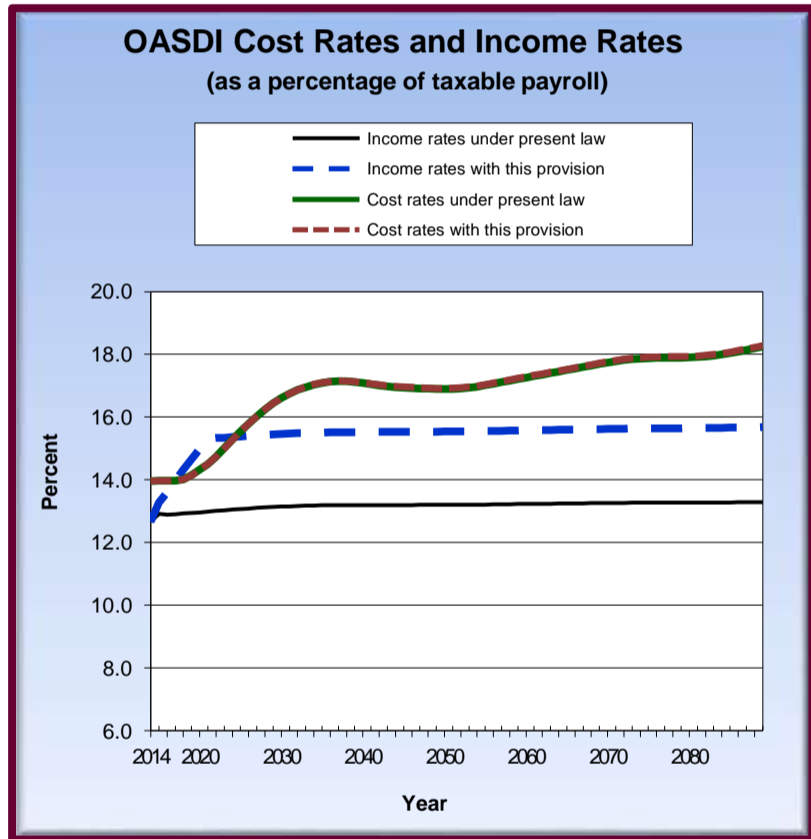


## Summary Measures and Graphs

### Category of Change: Payroll Taxes (including maximum taxable)

*Proposed Provision: Eliminate the taxable maximum for years 2021 and later (phased in 2015-2020), and apply full 12.4 percent payroll tax rate to all earnings. Provide benefit credit for earnings above the current-law taxable maximum that are subject to the payroll tax, using a secondary PIA formula. This secondary PIA formula involves: (1) an "AIME+" derived from annual earnings from each year after 2014 that were in excess of that year's current-law taxable maximum; (2) a new bend point equal to 134 percent of the monthly current-law taxable maximum; and (3) formula factors of 3 percent and 0.25 percent below and above the new bend point, respectively.*

Present Law [percent of payroll]		Change From Present Law [percent of payroll]		Shortfall Eliminated	
Long-Range Actuarial Balance	Annual Balance in 75th Year	Long-Range Actuarial Balance	Annual Balance in 75th Year	Long-Range Actuarial Balance	Annual Balance in 75th Year
-2.88	-4.90	2.18	2.35	76%	48%



Estimates based on the intermediate assumptions of the 2014 Trustees Report

Office of the Chief Actuary, Social Security  
October 8, 2014

