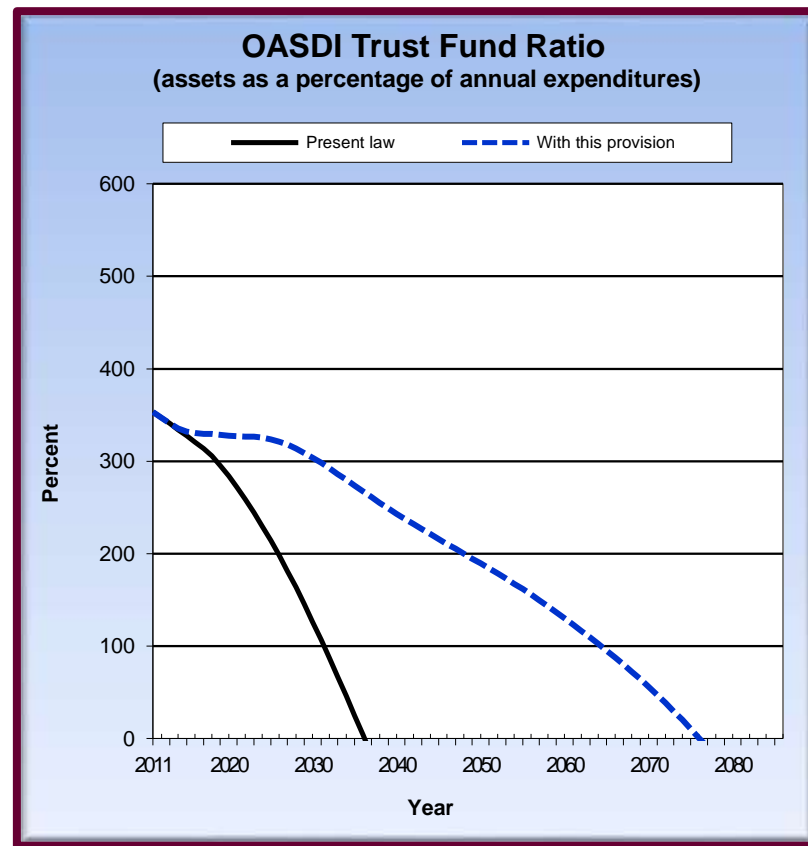
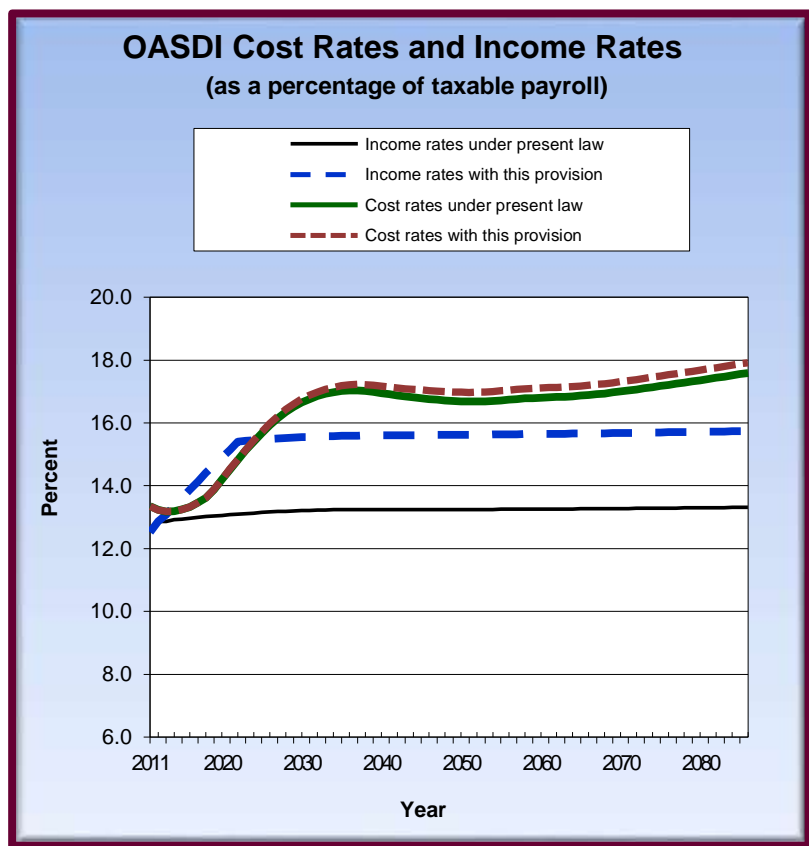


## Summary Measures and Graphs

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

*Proposed Provision: Eliminate the taxable maximum in years 2022 and later (phase in by applying a portion of the payroll tax rate to earnings above the current-law taxable maximum: 1.24 percent in 2013; 2.48 percent in 2014; ...; 11.16 percent in 2021). Provide benefit credit for earnings above the current-law taxable maximum (phased in at the same proportion as the payroll tax rate during 2013-2021). Revise the benefit formula by adding a bend point at the current-law taxable maximum and applying a formula factor of 5 percent for AIME above this new bend point.*

<u>Present Law</u>		<u>Change From Present Law in</u>		<u>Results with this provision</u>	
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
-2.22%	-4.24%	1.90%	2.10%	-0.32%	-2.14%



Estimates based on the intermediate assumptions of the 2011 Trustees Report

Office of the Chief Actuary, Social Security  
September 5, 2012