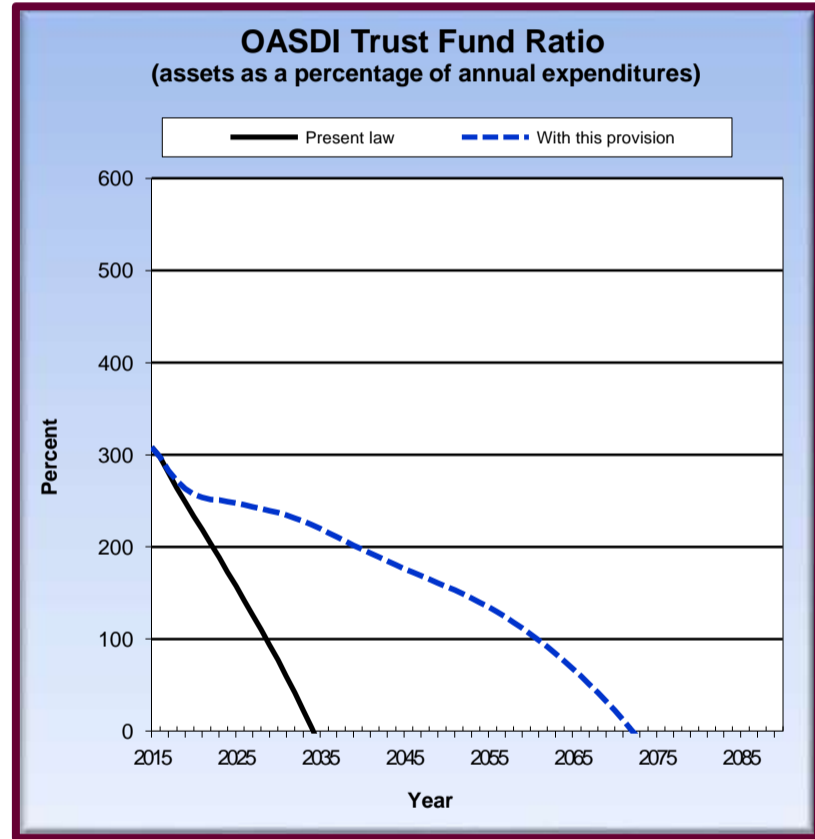
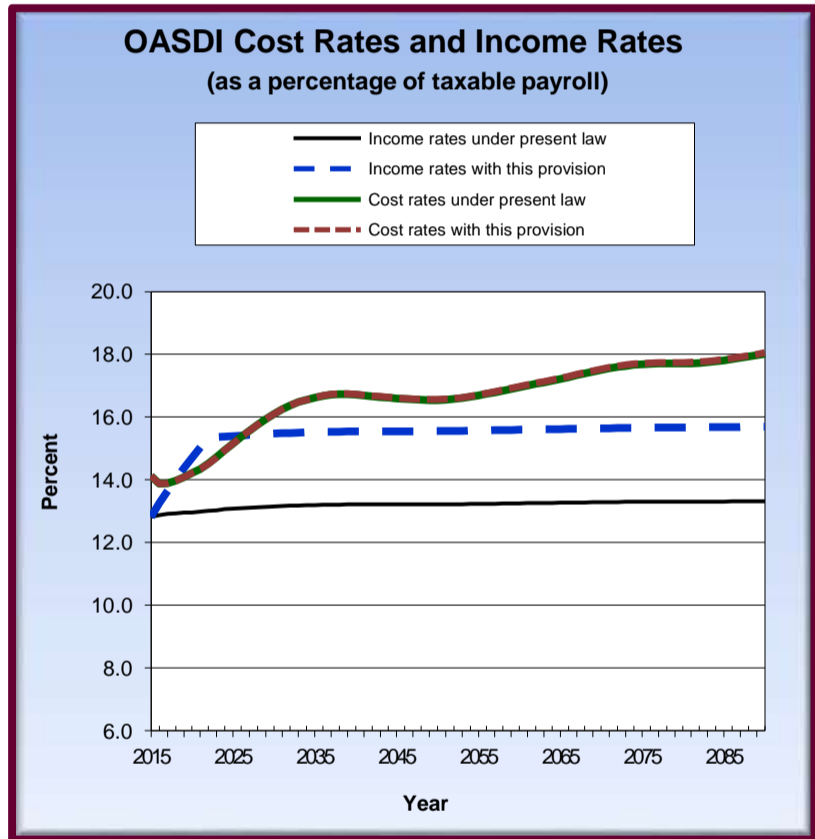


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Eliminate the taxable maximum for years 2022 and later (phased in 2016-2021), 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 2015 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 |
| -2.68 | -4.65 | 2.18 | 2.34 | 81% | 50% |



Estimates based on the intermediate assumptions of the 2015 Trustees Report

Office of the Chief Actuary, Social Security
September 1, 2015

