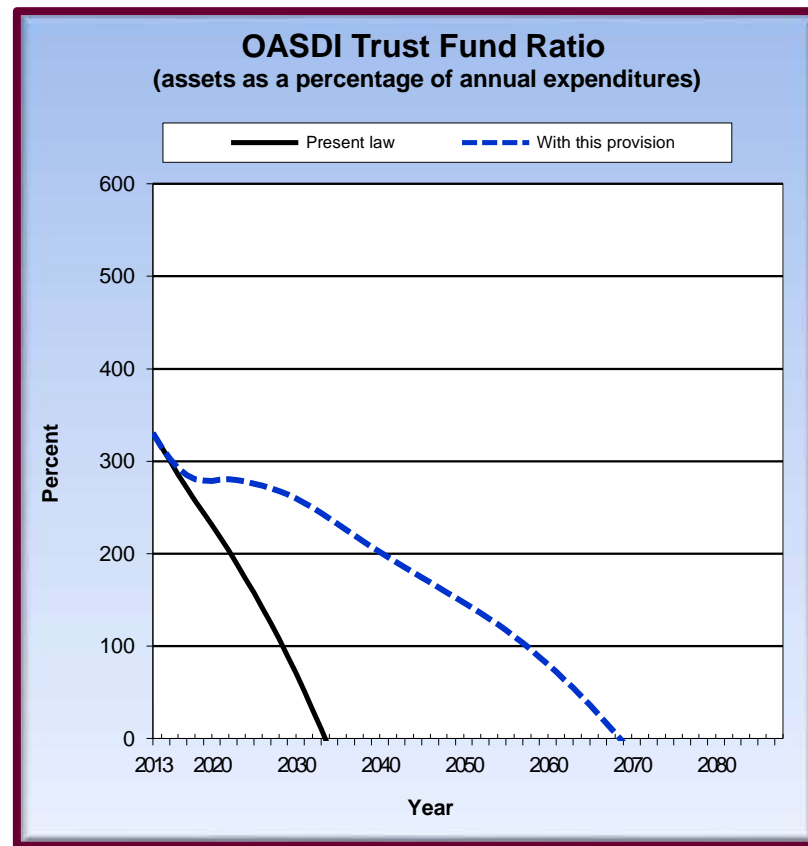
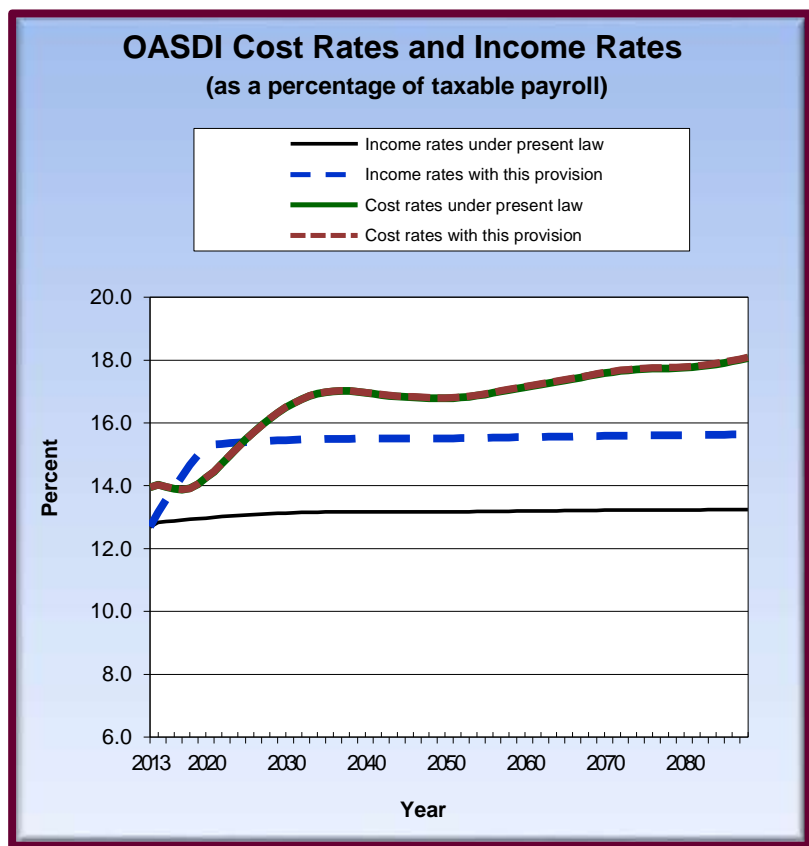


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Eliminate the taxable maximum for years 2020 and later (phased in 2014-2019), and apply full 12.4 percent payroll tax rate to all earnings. Provide benefit credit for earnings above the current-law taxable maximum that were taxed after 2013, using a secondary PIA formula. This secondary PIA formula uses: (1) an "AIME+" derived from annual earnings from each year after 2013 that were in excess of that year's current-law taxable maximum; (2) a bend point equal to 134 percent higher of the monthly current-law taxable maximum; and (3) formula factors of 3 percent and 0.25 percent, respectively.

<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
-2.72%	-4.77%	2.18%	2.36%	-0.54%	-2.40%



Estimates based on the intermediate assumptions of the 2013 Trustees Report

Office of the Chief Actuary, Social Security
September 11, 2013