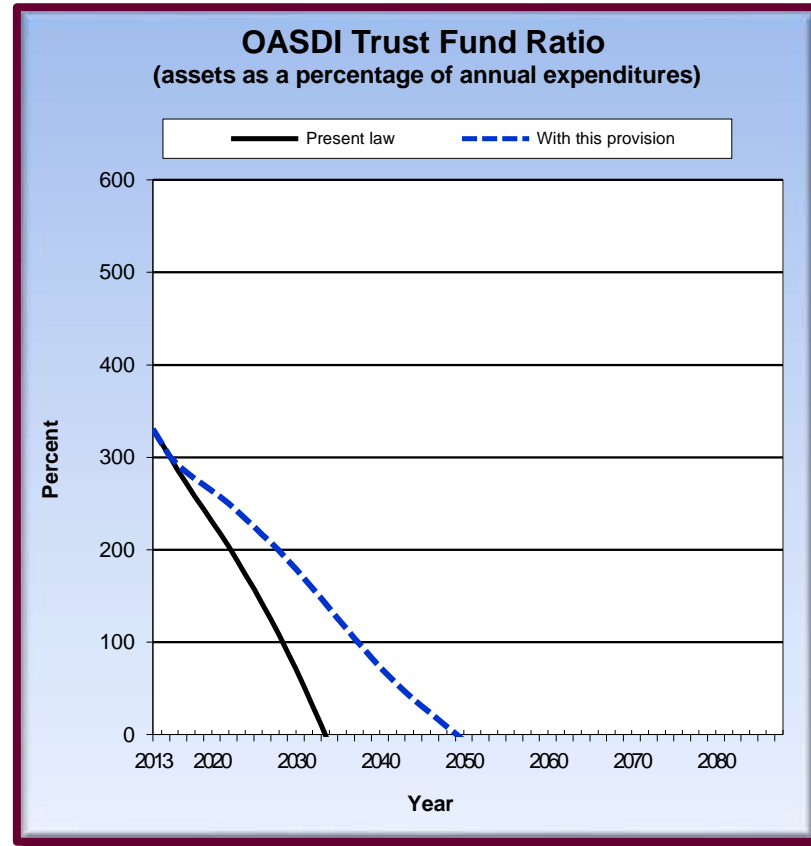
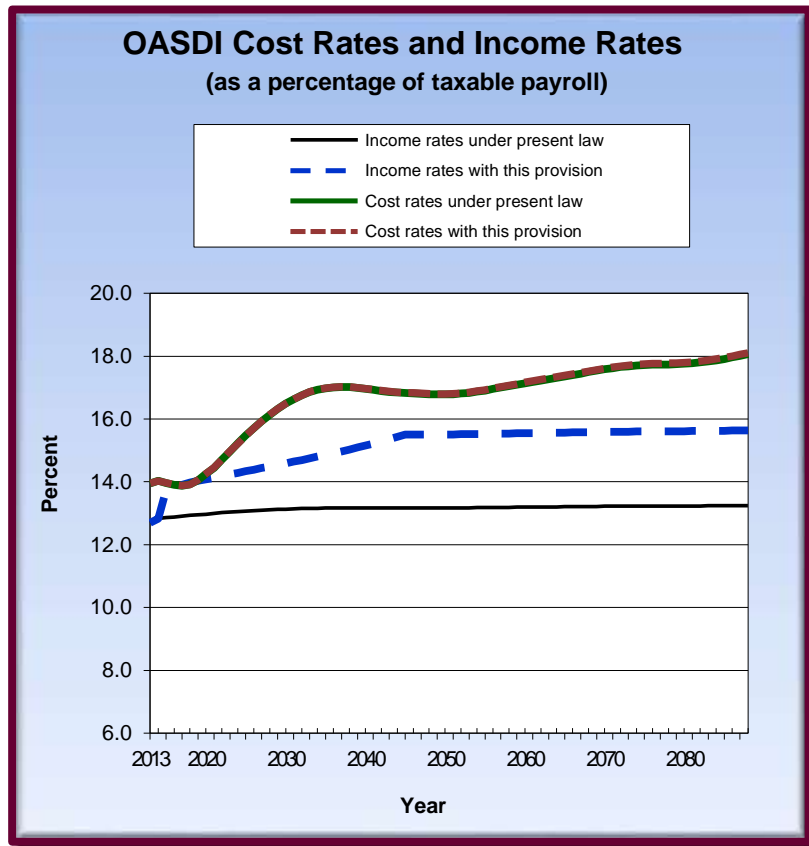


## Summary Measures and Graphs

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

*Proposed Provision: Apply OASDI payroll tax rate on earnings above \$400,000 starting in 2015, and tax all earnings once the current-law taxable maximum exceeds \$400,000. Credit the additional earnings for benefit purposes by: (a) calculating a second average indexed monthly earnings (AIME+) reflecting only earnings taxed above the current law taxable maximum, (b) applying a 2 percent factor on this newly computed AIME+ to develop a second component of the PIA, and (c) adding this second component to the current-law PIA.*

<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%	1.83%	2.35%	-0.89%	-2.42%



Estimates based on the intermediate assumptions of the 2013 Trustees Report

Office of the Chief Actuary, Social Security  
August 1, 2014