



## SOCIAL SECURITY

### MEMORANDUM

**Date:** July 15, 2005 **Refer To:** TCA

**To:** Representatives McCrery, Shaw, Johnson, Ryan, and Shadegg

**From:** Stephen C. Goss, Chief Actuary  
Alice H. Wade, Deputy Chief Actuary

**Subject:** Estimated Financial Effects of the “Growing Real Ownership for Workers Act of 2005” H.R 3304--INFORMATION

This memorandum presents estimates for the bill introduced yesterday, H.R 3304. The provisions of the bill were conveyed to us by Kim Hildred and Sophia Wright of the staff of the Subcommittee on Social Security, House Committee on Ways and Means. The plan would fund individual accounts with revenue from the General Fund of the Treasury in amounts equal to the OASDI annual cash-flow surplus, and would provide for a benefit offset for plan participants. All estimates are based on the intermediate assumptions of the 2005 Trustees Report plus additional assumptions described below, and reflect our understanding of your intent for this proposal. This plan would decrease (improve) the long-range OASDI actuarial deficit by an estimated 0.24 percent of taxable payroll, from the actuarial deficit of 1.92 percent estimated under present law to a deficit of 1.68 percent of payroll under the proposal, assuming individuals generally opt for a diversified investment portfolio. If all individual account assets were invested in the Treasury bond index fund which includes a representative mix of fixed marketable Treasury bonds with remaining duration to maturity of 4 years or more, the long-range OASDI actuarial deficit would decrease by an estimated 0.23 percent of taxable payroll.

### **Plan Specifications**

This plan would establish individual accounts (referred to as “GROW” accounts) for workers who were under age 55 on January 1, 2005 and provide for an offset against their Social Security retirement and aged survivor benefits. For each calendar year beginning with 2006, the Social Security Administration would remit to the Central Administrative Authority (CAA) a specified percentage of each participating worker’s OASDI taxable earnings from the trust funds.

All qualifying workers would be automatically enrolled for participation in the account provision (the default), but the option to disenroll would be provided. Initially, each worker would be allowed to rescind their automatic enrollment through notification of the CAA within a relatively short period of time to be determined by the board. If the worker elects to rescind enrollment, then the worker would subsequently be allowed a one-time option to re-enroll. In addition, each worker could at any time after the period for rescinding enrollment decide to disenroll for the purpose of any future contributions to the individual account.

The total amount of contributions to individual accounts in a calendar year would be equal to the excess of OASDI tax income for the year (including income from taxation of benefits) over the cost of providing scheduled benefits in the year (including administrative expenses). The individual account contribution rate for plan participants each year would be determined by dividing the total account contribution by the total taxable earnings of individual account participants for the year. Because individual records of earnings for each year are not available until late in the following year, individual account contributions would be credited to the accounts a little over one year, on average, after earnings are paid to the workers. However, the individual account contributions will be provided in bulk to the CAA during the year in which earnings are paid so that the assets can be invested in the designated Treasury bond index fund. When individual account contributions are credited to individuals, the contributions will be increased by the yield on the Treasury bond fund (see next paragraph) from July 1 of the year of earnings to the date of crediting the account.

The CAA would maintain individual account (IA) records for each participant and would initially invest all assets in a Treasury bond index fund including a representative mix of fixed marketable Treasury bonds with remaining duration to maturity of 4 years or more. The plan authorizes the CAA to expand investment options starting in 2009 to include various index funds like those offered by the government employee Thrift Savings Plan (TSP), as long as the Congress does not disapprove the changes. The CAA will be required to provide the Congress with advance notice of the changes in investment options with sufficient time for consideration of whether to actively disapprove. The Treasury bond fund would remain the investment allocation for the period prior to the crediting of contributions by the CAA to individuals. Beginning in 2009, individuals would be allowed to select their investment allocation once each year for contributions that have been individually credited to them. The CAA would make CPI-indexed annuities available to account holders for purchase at the time of their retirement. It is assumed that these annuities would be provided by the CAA.

The benefit offset applied to retired worker, aged spouse, and aged widow(er) benefits would be based on the amount of the annuity (a single-life annuity for an unmarried worker and a joint and two-thirds survivor annuity<sup>1</sup> for a married worker) that could be purchased through the CAA at retirement with the theoretical “shadow account” accumulation of all assets credited to the IA for the worker. For a married couple, the

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<sup>1</sup> Assumes the survivor receives two-thirds of the monthly payment that is provided while both spouses are alive and entitled to benefits.

amount of benefit offset would first be applied to benefits paid from the trust funds to the worker and then, if needed, to benefits of the spouse. The shadow account accumulation would reflect the realized yield on the Treasury bond fund for each year of IA accumulation, less 0.3 percentage point representing the ultimate expected administrative expense for the account. The annuity is also based on the assumption that all annuity assets will be invested in the long-term Treasury bond index fund used for individual accounts, with an ultimate annual annuity administrative expense equal to 0.3 percent of total annuity assets. Actual disbursements from the account after retirement (whether in monthly annuity payments, scheduled withdrawals, or lump sum distributions) would be subject to Federal personal income taxation in the same manner as are regular monthly OASDI benefits, with revenue directed to the trust funds.

For workers who die before retirement, the individual account assets would be transferred to the individual account of the surviving spouse. Individual account contributions associated with those inherited assets would be used in computing the offset to be applied to any benefits paid from the trust funds to the surviving spouse. If there is no surviving spouse, then the account assets are transferred to the worker's heirs, tax free, and in the absence of any heirs, to the Social Security trust funds.

### **Assumptions**

Because the default for the proposal would be for all eligible workers to be automatically enrolled, we assume that participation will be essentially universal. In fact, for those who retain the initial portfolio (entirely invested in the Treasury bond index fund), participation would provide an effective bonus in the form of a "life insurance" policy in the event of death without a spouse before retirement. Thus, we assume that participation in this plan would be essentially 100 percent.

It should be noted however that for individuals who do not annuitize their entire individual account at retirement, lifetime benefit payments plus individual account proceeds may turn out to be either higher or lower than under current law, depending on how long the worker and dependents live. If, for example, an unmarried worker takes the individual account assets as a lump sum at retirement and lives longer than average, then the value of benefit offsets will exceed the value of the account lump sum. On the other hand, if the same worker dies sooner than average, then the lump sum individual account distribution will exceed the value of the benefit offsets.

The Treasury bond index fund used for investment of all individual account assets is assumed to yield the same as the investments for the trust funds, or ultimately 3 percent over inflation, on average. Because the assets would be invested in bulk and all individual records for the accounts maintained by the CAA, annual administrative expense is assumed to be relatively low, at about 0.3 percent of individual account assets ultimately. Higher administrative expenses in early years are assumed to be financed from the General Fund of the Treasury. Annuities provided through the CAA are assumed also to reflect

investment of assets in long-term marketable fixed Treasury bonds with an expected ultimate gross real yield of 3 percent on average. Annual administrative expenses for the annuities are assumed to be about equal to 0.3 percent of annuity assets ultimately.

When the CAA expands investment options beyond the Treasury bond fund (beginning in 2009), the invested assets in IAs are assumed to average 50 percent in equity funds, 25 percent in corporate bond funds, and 25 percent in the Treasury bond fund.

For investments in the corporate bond index fund, we assume an average gross real yield of 3.5 percent for future investments, or 50 basis points above the ultimate assumption for long-term Treasury bonds. For investments in the equity index fund, we assume an average gross real yield of 6.5 percent for future investments, or 350 basis points above the ultimate assumption for long-term Treasury bonds.

## **Results**

### **OASDI Trust Fund and Unified Budget Effects with Expected Returns from Broadened IA Investment Options Starting 2009**

Tables 1 through 1d provide detailed estimates for the expected effects of the plan on OASDI financial status and on the unified budget. All estimates reflect the intermediate assumptions of the 2005 Trustees Report plus additional assumptions regarding expected future average returns on invested assets.

Tables 1 provide estimates for the plan assuming that the CAA broadens the investment options for assets in IAs starting in 2009. Under this plan, broadening of the investment option allows for investment in a greater range of securities. This broadened investment would be expected to average higher future rates of return than if IA assets were invested only in the Treasury bond fund.

Table 1 indicates that the date of OASDI combined trust fund exhaustion would be made later by about 2 years, with exhaustion expected in 2043 under the proposal. Trust fund exhaustion is made later because the revenue expended for individual account contributions comes from the General Fund of the Treasury (not the trust funds) while benefit offsets in subsequent years based on these contributions would directly benefit the trust funds. These offsets would be less in present value than the individual account contributions provided earlier because:

- (1) The benefit offset rate is less than the expected trust fund yield rate, and
- (2) No benefit offset would occur for individual account assets directed to the estates of workers who die before retiring.

Table 1 reflects reductions in annual OASDI cash flow deficits for years 2013 through 2080 due to the benefit offsets. For 2079, for example, the OASDI annual cash flow shortfall projected under current law of 5.70 percent of payroll is expected to be reduced to a deficit of 5.64 percent of payroll. For the long-range 75-year period as a whole, the OASDI actuarial deficit is decreased from 1.92 percent of payroll under present law to a deficit of 1.68 percent of payroll under the proposal.

Table 1a provides an analysis of the General Fund contributions to the individual accounts under the plan, as well as projected levels of OASDI Trust Fund and aggregate individual account and IA annuity assets. Columns 1 through 3 provide the estimated amounts of General Fund contributions to individual accounts for years 2006 through 2016, expressed in constant 2005 dollars, in present value as of January 1, 2005, and as a percentage of annual OASDI taxable payroll. Column 4 provides the cumulative total amount of these contributions through the end of each year.

The projected OASDI Trust Fund assets under the proposal are shown in column 5 of Table 1a. For the purpose of comparison, the projected OASDI Trust Fund assets are also shown for a theoretical Social Security program with borrowing authority in two separate ways. The theoretical Social Security Trust Funds are shown without any General Fund transfers in column 8. And the theoretical Social Security Trust Fund assets are shown with the inclusion of transfers from the General Fund equal to the expected contributions to individual accounts under the proposal in column 9.

Table 1a (column 6) also provides projected aggregate assets in the individual accounts and the IA annuities at the end of each year, expressed in constant 2005 dollars. These values assume that all accumulated IA assets are used to purchase CPI-indexed life annuities from the CAA.

Table 1b provides estimated effects on the federal government unified budget deficit due to enacting the proposal. These estimates indicate the change from the unified budget projections that would be made under current law (under the standard budget conventions). It should be noted that these estimates are based on the Trustees assumptions and thus are not directly comparable with those made by OMB and CBO under their own assumptions. Annual unified budget cash flow would be worsened for years 2006 through 2016 due to the expenditures of revenue to provide contributions to the individual accounts. For 2017 through 2080, unified budget cash flow is improved as benefit offsets reduce expenditures. Beginning in 2026, the unified budget cash flow is also improved due to additional income from taxation of individual account disbursements. The total debt held by the public is increased indefinitely due to the incomplete compensation of the federal government through benefit offsets, as described above. Annual unified budget balances remain worsened throughout the period due to additional interest on the increased debt held by the public.

Table 1c provides estimates of the annual cash flow from the trust funds to the General Fund of the Treasury. Under the proposal, the cash flow to the General Fund is unchanged through 2012. After 2012, cash flow to the General Fund improves slightly as the benefit

offsets reduce net benefit obligations. For the period 2005 through 2079 as a whole, the net cash flow from the OASDI Trust Fund to the General Fund is increased from a negative \$5.7 trillion in present value under current law modified to provide General Fund transfers for solvency to negative \$5.2 trillion under the proposal.

Table 1d illustrates the effects of the components of the proposal on the annual OASDI Trust Fund levels, and on the projected unfunded obligations through each year after trust fund assets are projected to be exhausted. The size of the estimated OASDI unfunded obligation for the long-range period is decreased from \$4.0 trillion in present value under current law to \$3.5 trillion under the proposal.

### OASDI Trust Fund and Unified Budget Effects Assuming Investment Only in the Treasury Bond Fund

Investment in equities and corporate bonds implies a higher expected average yield, but also greater variability and uncertainty of returns. Tables 2 provide effectively a low-yield or risk-adjusted yield analysis of the plan assuming broader investment options are offered. Under this analysis, it is assumed that all investments in fact achieve the same yield as expected for long-term Treasury bonds.

As seen in Tables 2, there is very little effect from this modification on OASDI program finances or on the unified budget estimates. Reflecting these expected lower returns, Tables 2 indicate that income taxes on IA distributions would be expected to be lower, thus providing slightly lower income to the OASDI program. This effect worsens the estimated OASDI actuarial deficit by about an additional 0.01 percent of payroll, for a total improvement of 0.23 percent of payroll. The estimated long-range actuarial deficit is thus projected to be reduced from 1.92 percent of payroll under present law to 1.69 percent of payroll under the proposal with expected returns on the diversified portfolios. Table 2a provides the estimated lower level of IA and annuity assets expected under the potential investment assumptions described above.

### Individual Account Assets, Distributions, Benefit Offsets and Benefit Levels

Tables A1, B1a, B1b, and B1c provide estimates for several theoretical worker examples. Theoretical workers are presented with scaled low, medium, and high career earnings levels, as well as for a career steady maximum earner (earnings at or above the OASDI taxable maximum each year). These four hypothetical workers represent about the 28, 58, 85 and 100 percentiles of the distribution of career earnings levels for recent retired workers. See Actuarial Note 2004.3 at <http://www.ssa.gov/OACT/NOTES/ran3/an2004-3.pdf> for details on the nature of these worker examples.

Table A1 provides projected scheduled primary insurance amounts (PIAs) and benefit amounts for future retirees who are single, or are married with a non-earner spouse. Scheduled benefit levels for the two-earner married couple (both with the same level of career-average earnings) may be obtained by doubling the value for the single worker.

Accumulated IA asset levels at age 65 are presented in constant 2005 dollars (discounted for CPI increase back to 2005) in table B1a. Values are shown both assuming investment in the Treasury bond fund only, and assuming investment in the broadened selection of investment options that may be made available under the proposal. Under the broadened selection of options, the average mixed portfolio is assumed to be 50 percent in the equity index fund, 25 percent in the corporate bond index fund, and 25 percent in the Treasury bond index fund after 2008, and after the contributions are allocated individually by the CAA.

In addition to IA accumulated assets, table B1a presents the size of the CPI-indexed annuity that could be purchased from the CAA with this amount at age 65, expressed as a percent of the present-law scheduled benefits for single earners, and for 2-earner and 1-earner married couples. Married couples are assumed to be the same age, and in the case of the 2-earner couple, they are assumed to have the same career-average earnings level. In each case, the projected IA annuity that is available is presented as a percentage of the total scheduled benefits for the single worker, the couple, or the widow(er).

Annuities for single workers are based on a single CPI-indexed life annuity and those for married couples are assumed to be joint annuities, with the survivor receiving two-thirds of the monthly payment provided while both spouses are alive and entitled to benefits. All annuities are computed assuming the use of life tables consistent with projected mortality in the intermediate estimates of the 2005 Trustees Report. Annuities are also based on the assumption that all annuity assets will be invested in the long-term Treasury bond index fund used for individual accounts, with an ultimate annuity administrative expense equal to 0.3 percent of total annuity assets.

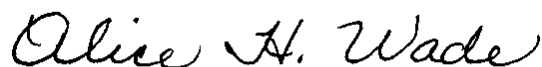
Table B1b presents the size of the CPI-indexed annuity that could be purchased from the CAA with the accumulated IA assets at age 65, expressed in constant 2005 dollars, for single earners, and for 2-earner and 1-earner married couples. Values are presented both assuming investment in the Treasury bond fund only, and assuming investment in the broadened selection of investment options that may be made available under the proposal. Estimates are provided for the same hypothetical workers as shown in table B1a. The benefit offset for IA participants (individuals and married couples on a combined basis) would be equal to the monthly annuity payments shown assuming that the IA had been invested in the Treasury bond fund only.

Table B1c provides the size of the basic benefit for retired workers, expressed as a percent of scheduled present-law benefits. Also included is the combination of (1) this projected basic benefit plus (2) the projected monthly CPI-indexed life annuity based on the individual account accumulation minus (3) the benefit offset based on the shadow account. Values assuming investment in the Treasury bond index fund only show that the total

payments from the individuals account annuity and the OASI program would be the same under the proposal as the scheduled OASI benefits under current law. With investment in the mixed portfolio, total payments would be expected to be greater than current law scheduled OASI benefits because the expected returns on equities and corporate bonds are greater than the expected return on the Treasury bond fund. However, it is important to note that actual returns will vary from individual to individual and over time, so returns on the mixed portfolio will sometimes yield an increase in total payments and sometimes a decrease in total payments.



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Alice H. Wade



**Table 1 McCreary, Shaw, Johnson, Ryan and Shadegg: IA Contributions from General Revenue Equal to OASDI Cash-Flow Surplus**

Year	Cost Rate <sup>1</sup>	Income Rate	Annual Balance	TFR 1-1-yr	Individual Account	"Effective"	Net	"Effective"
					Contribution Rate for Enrollees under 55 on 1/1/2005	Change in OASDI Contribution Rate	OASDI Contribution Rate	IA Contribution Rate
2005	11.13	12.72	1.59	320			12.40	0.00
2006	11.00	12.73	1.73	337	2.22	0.00	12.40	1.73
2007	10.95	12.74	1.79	355	2.12	0.00	12.40	1.79
2008	10.99	12.78	1.80	370	2.06	0.00	12.40	1.78
2009	11.13	12.77	1.65	382	1.85	0.00	12.40	1.63
2010	11.25	12.79	1.54	394	1.70	0.00	12.40	1.52
2011	11.42	12.84	1.42	404	1.55	0.00	12.40	1.41
2012	11.67	12.87	1.21	410	1.30	0.00	12.40	1.20
2013	11.92	12.90	0.98	415	1.04	0.00	12.40	0.97
2014	12.18	12.92	0.74	418	0.76	0.00	12.40	0.72
2015	12.44	12.94	0.49	419	0.50	0.00	12.40	0.48
2016	12.73	12.96	0.23	418	0.22	0.00	12.40	0.22
2017	13.02	12.98	-0.04	416		0.00	12.40	0.00
2018	13.31	13.00	-0.31	412		0.00	12.40	0.00
2019	13.60	13.01	-0.59	406		0.00	12.40	0.00
2020	13.90	13.03	-0.87	399		0.00	12.40	0.00
2021	14.20	13.05	-1.15	390		0.00	12.40	0.00
2022	14.50	13.07	-1.42	381		0.00	12.40	0.00
2023	14.78	13.09	-1.69	370		0.00	12.40	0.00
2024	15.06	13.11	-1.95	358		0.00	12.40	0.00
2025	15.34	13.12	-2.22	344		0.00	12.40	0.00
2026	15.61	13.14	-2.47	330		0.00	12.40	0.00
2027	15.86	13.16	-2.70	314		0.00	12.40	0.00
2028	16.08	13.17	-2.91	298		0.00	12.40	0.00
2029	16.28	13.19	-3.09	282		0.00	12.40	0.00
2030	16.46	13.20	-3.25	265		0.00	12.40	0.00
2031	16.62	13.22	-3.41	247		0.00	12.40	0.00
2032	16.76	13.23	-3.54	229		0.00	12.40	0.00
2033	16.87	13.24	-3.64	210		0.00	12.40	0.00
2034	16.95	13.24	-3.71	191		0.00	12.40	0.00
2035	17.01	13.25	-3.76	172		0.00	12.40	0.00
2036	17.06	13.26	-3.81	152		0.00	12.40	0.00
2037	17.09	13.26	-3.83	132		0.00	12.40	0.00
2038	17.11	13.27	-3.84	112		0.00	12.40	0.00
2039	17.10	13.27	-3.83	92		0.00	12.40	0.00
2040	17.10	13.27	-3.83	71		0.00	12.40	0.00
2041	17.10	13.27	-3.82	50		0.00	12.40	0.00
2042	17.09	13.28	-3.82	29		0.00	12.40	0.00
2043	17.09	13.28	-3.81	7		0.00	12.40	0.00
2044	17.08	13.28	-3.80	--		0.00	12.40	0.00
2045	17.08	13.28	-3.80	--		0.00	12.40	0.00
2046	17.09	13.29	-3.80	--		0.00	12.40	0.00
2047	17.10	13.29	-3.81	--		0.00	12.40	0.00
2048	17.11	13.29	-3.82	--		0.00	12.40	0.00
2049	17.13	13.30	-3.83	--		0.00	12.40	0.00
2050	17.15	13.30	-3.85	--		0.00	12.40	0.00
2051	17.17	13.30	-3.87	--		0.00	12.40	0.00
2052	17.21	13.31	-3.90	--		0.00	12.40	0.00
2053	17.25	13.31	-3.94	--		0.00	12.40	0.00
2054	17.31	13.31	-3.99	--		0.00	12.40	0.00
2055	17.37	13.32	-4.05	--		0.00	12.40	0.00
2056	17.44	13.32	-4.12	--		0.00	12.40	0.00
2057	17.51	13.33	-4.19	--		0.00	12.40	0.00
2058	17.58	13.33	-4.26	--		0.00	12.40	0.00
2059	17.66	13.33	-4.32	--		0.00	12.40	0.00
2060	17.73	13.34	-4.39	--		0.00	12.40	0.00
2061	17.80	13.34	-4.46	--		0.00	12.40	0.00
2062	17.88	13.34	-4.54	--		0.00	12.40	0.00
2063	17.96	13.35	-4.61	--		0.00	12.40	0.00
2064	18.04	13.35	-4.69	--		0.00	12.40	0.00
2065	18.12	13.35	-4.77	--		0.00	12.40	0.00
2066	18.20	13.35	-4.84	--		0.00	12.40	0.00
2067	18.28	13.36	-4.92	--		0.00	12.40	0.00
2068	18.35	13.36	-4.99	--		0.00	12.40	0.00
2069	18.42	13.36	-5.06	--		0.00	12.40	0.00
2070	18.49	13.37	-5.12	--		0.00	12.40	0.00
2071	18.55	13.37	-5.18	--		0.00	12.40	0.00
2072	18.61	13.37	-5.25	--		0.00	12.40	0.00
2073	18.67	13.37	-5.30	--		0.00	12.40	0.00
2074	18.73	13.37	-5.36	--		0.00	12.40	0.00
2075	18.79	13.37	-5.42	--		0.00	12.40	0.00
2076	18.85	13.38	-5.47	--		0.00	12.40	0.00
2077	18.91	13.38	-5.53	--		0.00	12.40	0.00
2078	18.96	13.38	-5.58	--		0.00	12.40	0.00
2079	19.02	13.38	-5.64	--		0.00	12.40	0.00
2080	19.07	13.38	-5.69	--		0.00	12.40	0.00

Summarized OASDI

	Cost Rate	Income Rate	Actuarial Balance	Change in Actuarial Balance
2005 - 2079	15.56	13.88	-1.68	0.24

Based on Intermediate Assumptions of the 2005 Trustees Report. All values are expressed as percents of taxable payroll, except TFR.

With Ultimate Real Trust Fund Interest Rate of 3.0

<sup>1</sup>Net of Benefit Offset

Office of the Actuary  
Social Security Administration  
July 14, 2005

**Table 1a Proposal General Fund Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets**

Investment Options Start in 2009	Contributions to GROW Accounts From the General Fund				Total OASDI Trust Fund Assets at End of Year (5)	Individual Account Assets <sup>1</sup> at End of Year (6)	GDP (7)	Theoretical Social Security <sup>2</sup> with Borrowing Authority		
	Annual Transfers		Annual Transfers (3)	Accumulated as of End of Year (4)				Net OASDI Trust Fund Assets at EOY		
	Present Value as of 1-1-2005 (1)	Percent of Taxable Payroll (2)						Without General Fund Transfers (8)		With Plan General Fund Transfers (9)
	Calendar Year	Billions	Billions of Constant 2005 \$					Billions of Constant 2005 Dollars		
2005	0.0	0.0	0.0	0	1,850	0	12,359	1,850	1,850	
2006	79.8	1.7	84.5	84	1,995	87	12,746	1,995	2,079	
2007	82.3	1.8	89.5	176	2,139	183	13,080	2,139	2,315	
2008	81.7	1.8	91.0	272	2,285	285	13,389	2,285	2,557	
2009	74.4	1.6	84.9	363	2,429	384	13,690	2,429	2,793	
2010	69.3	1.5	81.1	454	2,574	483	13,989	2,574	3,027	
2011	63.7	1.4	76.5	542	2,719	581	14,286	2,719	3,260	
2012	53.8	1.2	66.3	622	2,858	673	14,573	2,858	3,480	
2013	43.2	1.0	54.6	693	2,990	756	14,850	2,989	3,682	
2014	31.7	0.7	41.1	753	3,113	828	15,125	3,110	3,863	
2015	20.8	0.5	27.7	801	3,227	889	15,398	3,222	4,023	
2016	9.3	0.2	12.8	836	3,331	936	15,669	3,322	4,158	
2017	0.0	0.0	0.0	860	3,423	971	15,942	3,409	4,269	
2018	0.0	0.0	0.0	885	3,504	1,008	16,214	3,483	4,368	
2019	0.0	0.0	0.0	911	3,570	1,044	16,489	3,543	4,454	
2020	0.0	0.0	0.0	939	3,621	1,082	16,759	3,584	4,523	
2021	0.0	0.0	0.0	967	3,653	1,119	17,032	3,606	4,573	
2022	0.0	0.0	0.0	996	3,667	1,156	17,302	3,609	4,605	
2023	0.0	0.0	0.0	1,026	3,663	1,193	17,574	3,591	4,616	
2024	0.0	0.0	0.0	1,057	3,639	1,229	17,843	3,551	4,608	
2025	0.0	0.0	0.0	1,088	3,594	1,266	18,111	3,490	4,578	
2026	0.0	0.0	0.0	1,121	3,529	1,301	18,383	3,405	4,526	
2027	0.0	0.0	0.0	1,155	3,442	1,337	18,665	3,298	4,453	
2028	0.0	0.0	0.0	1,189	3,336	1,371	18,955	3,169	4,358	
2029	0.0	0.0	0.0	1,225	3,211	1,405	19,245	3,019	4,244	
2030	0.0	0.0	0.0	1,262	3,066	1,438	19,537	2,847	4,109	
2031	0.0	0.0	0.0	1,299	2,903	1,469	19,836	2,654	3,954	
2032	0.0	0.0	0.0	1,338	2,721	1,499	20,147	2,441	3,779	
2033	0.0	0.0	0.0	1,379	2,522	1,528	20,468	2,208	3,587	
2034	0.0	0.0	0.0	1,420	2,308	1,556	20,792	1,957	3,377	
2035	0.0	0.0	0.0	1,463	2,080	1,581	21,116	1,689	3,152	
2036	0.0	0.0	0.0	1,506	1,836	1,605	21,446	1,404	2,910	
2037	0.0	0.0	0.0	1,552	1,579	1,627	21,785	1,102	2,654	
2038	0.0	0.0	0.0	1,598	1,310	1,646	22,132	785	2,383	
2039	0.0	0.0	0.0	1,646	1,028	1,663	22,486	452	2,099	
2040	0.0	0.0	0.0	1,696	733	1,677	22,842	105	1,800	
2041	0.0	0.0	0.0	1,746	426	1,689	23,204	-259	1,487	
2042	0.0	0.0	0.0	1,799	106	1,698	23,573	-639	1,159	
2043	0.0	0.0	0.0	1,853	-228	1,703	23,948	-1,036	816	
2044	0.0	0.0	0.0	1,908	-577	1,705	24,325	-1,451	457	
2045	0.0	0.0	0.0	1,966	-940	1,704	24,702	-1,884	82	
2046	0.0	0.0	0.0	2,025	-1,319	1,698	25,081	-2,336	-312	
2047	0.0	0.0	0.0	2,085	-1,715	1,690	25,466	-2,809	-724	
2048	0.0	0.0	0.0	2,148	-2,128	1,677	25,857	-3,302	-1,155	
2049	0.0	0.0	0.0	2,212	-2,560	1,660	26,248	-3,818	-1,606	
2050	0.0	0.0	0.0	2,279	-3,012	1,639	26,640	-4,357	-2,078	
2051	0.0	0.0	0.0	2,347	-3,484	1,611	27,040	-4,920	-2,573	
2052	0.0	0.0	0.0	2,417	-3,977	1,579	27,447	-5,510	-3,092	
2053	0.0	0.0	0.0	2,490	-4,495	1,541	27,860	-6,127	-3,637	
2054	0.0	0.0	0.0	2,565	-5,039	1,502	28,281	-6,772	-4,208	
2055	0.0	0.0	0.0	2,642	-5,611	1,462	28,705	-7,448	-4,806	
2056	0.0	0.0	0.0	2,721	-6,212	1,421	29,132	-8,154	-5,433	
2057	0.0	0.0	0.0	2,802	-6,844	1,380	29,567	-8,894	-6,091	
2058	0.0	0.0	0.0	2,887	-7,509	1,339	30,008	-9,667	-6,781	
2059	0.0	0.0	0.0	2,973	-8,207	1,298	30,455	-10,476	-7,503	
2060	0.0	0.0	0.0	3,062	-8,940	1,257	30,907	-11,321	-8,258	
2061	0.0	0.0	0.0	3,154	-9,709	1,216	31,364	-12,203	-9,049	
2062	0.0	0.0	0.0	3,249	-10,515	1,177	31,831	-13,126	-9,877	
2063	0.0	0.0	0.0	3,346	-11,362	1,138	32,308	-14,089	-10,743	
2064	0.0	0.0	0.0	3,447	-12,250	1,100	32,790	-15,096	-11,650	
2065	0.0	0.0	0.0	3,550	-13,180	1,065	33,279	-16,147	-12,597	
2066	0.0	0.0	0.0	3,657	-14,155	1,031	33,765	-17,244	-13,588	
2067	0.0	0.0	0.0	3,766	-15,176	1,000	34,259	-18,389	-14,623	
2068	0.0	0.0	0.0	3,879	-16,243	971	34,772	-19,582	-15,703	
2069	0.0	0.0	0.0	3,996	-17,360	945	35,294	-20,826	-16,831	
2070	0.0	0.0	0.0	4,115	-18,526	922	35,822	-22,121	-18,006	
2071	0.0	0.0	0.0	4,239	-19,743	903	36,355	-23,470	-19,231	
2072	0.0	0.0	0.0	4,366	-21,013	886	36,895	-24,873	-20,507	
2073	0.0	0.0	0.0	4,497	-22,337	874	37,445	-26,333	-21,836	
2074	0.0	0.0	0.0	4,632	-23,718	865	38,003	-27,851	-23,219	
2075	0.0	0.0	0.0	4,771	-25,157	860	38,566	-29,430	-24,659	
2076	0.0	0.0	0.0	4,914	-26,656	859	39,137	-31,072	-26,157	
2077	0.0	0.0	0.0	5,062	-28,218	863	39,714	-32,778	-27,716	
2078	0.0	0.0	0.0	5,213	-29,843	870	40,300	-34,551	-29,338	
2079	0.0	0.0	0.0	5,370	-31,535	882	40,894	-36,394	-31,024	
2080	0.0	0.0	0.0	5,531	-33,295	898	41,496	-38,308	-32,777	
Total	609.9									

Based on Intermediate Assumptions of the 2005 Trustees Report.

<sup>1</sup> Including annuity assets, assuming all annuitize fully.

<sup>2</sup> Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

**Table 1b IA Contributions, IA Offset, Other Changes, & Budget Effect**

Broadened IA Investment Options Start in 2009	Average Individual Account Contribution Rate: 1.39%			Benefit Offset: 100.0%		
	Amount	Other Changes		Change in		
	Contributed to IA by Federal Government	Offset to OASDI Ben From IA	In Unified Budget Cash Flow	Annual Unified Budget Cash Flow	Debt Held by Public (EOY)	Annual Unified Budget Balance
	(1)	(2)	(3)	(4)=(3)+(2)-(-1)	(5)	(6)
<i>Year</i>	<i>(Billions of \$, Present Value on 1-1-2005)</i>					
2006	79.8	0.0	0.0	-79.8	79.8	-79.8
2007	82.3	0.0	0.0	-82.3	162.1	-86.3
2008	81.7	0.0	0.0	-81.7	243.8	-89.9
2009	74.4	0.0	0.0	-74.4	318.2	-86.8
2010	69.3	0.0	0.0	-69.3	387.4	-85.6
2011	63.7	0.0	0.0	-63.7	451.1	-83.8
2012	53.8	0.0	0.0	-53.7	504.9	-77.3
2013	43.2	0.6	0.0	-42.6	547.4	-69.1
2014	31.7	1.3	0.0	-30.4	577.8	-59.3
2015	20.8	1.9	0.0	-18.9	596.7	-49.7
2016	9.3	2.6	0.0	-6.8	603.5	-38.9
2017	0.0	3.2	0.0	3.2	600.2	-29.6
2018	0.0	3.9	0.0	3.9	596.4	-29.2
2019	0.0	4.5	0.0	4.5	591.9	-28.7
2020	0.0	5.1	0.0	5.1	586.8	-27.8
2021	0.0	5.7	0.0	5.7	581.1	-26.9
2022	0.0	6.2	0.0	6.2	574.9	-26.1
2023	0.0	6.8	0.0	6.8	568.1	-25.2
2024	0.0	7.3	0.0	7.3	560.8	-24.3
2025	0.0	7.8	0.0	7.8	553.0	-23.4
2026	0.0	8.2	0.1	8.3	544.7	-22.4
2027	0.0	8.7	0.1	8.8	535.9	-21.5
2028	0.0	9.1	0.1	9.2	526.7	-20.6
2029	0.0	9.5	0.1	9.6	517.1	-19.6
2030	0.0	9.9	0.1	10.0	507.0	-18.7
2031	0.0	10.3	0.1	10.4	496.6	-17.8
2032	0.0	10.6	0.1	10.8	485.9	-16.8
2033	0.0	10.9	0.2	11.1	474.8	-15.9
2034	0.0	11.2	0.2	11.4	463.4	-15.0
2035	0.0	11.5	0.2	11.7	451.7	-14.1
2036	0.0	11.7	0.2	11.9	439.8	-13.2
2037	0.0	11.9	0.2	12.1	427.6	-12.3
2038	0.0	12.1	0.3	12.3	415.3	-11.4
2039	0.0	12.2	0.3	12.5	402.8	-10.6
2040	0.0	12.4	0.3	12.7	390.1	-9.7
2041	0.0	12.5	0.3	12.8	377.3	-8.9
2042	0.0	12.6	0.3	12.9	364.4	-8.1
2043	0.0	12.6	0.4	13.0	351.4	-7.2
2044	0.0	12.7	0.4	13.1	338.3	-6.5
2045	0.0	12.7	0.4	13.1	325.1	-5.7
2046	0.0	12.8	0.4	13.2	312.0	-4.9
2047	0.0	12.7	0.4	13.1	298.9	-4.2
2048	0.0	12.6	0.5	13.0	285.8	-3.6
2049	0.0	12.5	0.5	12.9	272.9	-2.9
2050	0.0	12.4	0.5	12.9	260.0	-2.3
2051	0.0	12.4	0.5	13.0	247.1	-1.5
2052	0.0	12.4	0.5	12.9	234.2	-0.8
2053	0.0	12.2	0.5	12.7	221.4	-0.3
2054	0.0	11.6	0.5	12.2	209.3	-0.1
2055	0.0	11.0	0.5	11.5	197.7	-0.1
2056	0.0	10.4	0.5	10.9	186.8	-0.1
2057	0.0	9.8	0.5	10.3	176.5	-0.1
2058	0.0	9.2	0.5	9.7	166.8	-0.1
2059	0.0	8.6	0.5	9.1	157.6	-0.1
2060	0.0	8.1	0.5	8.5	149.1	-0.2
2061	0.0	7.5	0.5	8.0	141.1	-0.3
2062	0.0	7.0	0.4	7.4	133.7	-0.4
2063	0.0	6.5	0.4	6.9	126.8	-0.5
2064	0.0	6.0	0.4	6.4	120.4	-0.7
2065	0.0	5.5	0.4	5.9	114.5	-0.8
2066	0.0	5.0	0.4	5.4	109.1	-1.0
2067	0.0	4.6	0.3	4.9	104.2	-1.1
2068	0.0	4.2	0.3	4.5	99.7	-1.3
2069	0.0	3.8	0.3	4.1	95.7	-1.5
2070	0.0	3.4	0.3	3.7	92.0	-1.7
2071	0.0	3.0	0.2	3.3	88.7	-1.8
2072	0.0	2.7	0.2	2.9	85.8	-2.0
2073	0.0	2.4	0.2	2.6	83.3	-2.2
2074	0.0	2.1	0.2	2.3	81.0	-2.4
2075	0.0	1.8	0.2	2.0	79.0	-2.5
2076	0.0	1.6	0.1	1.7	77.3	-2.7
2077	0.0	1.3	0.1	1.5	75.9	-2.8
2078	0.0	1.1	0.1	1.2	74.7	-3.0
2079	0.0	0.9	0.1	1.0	73.6	-3.1
2080	0.0	0.8	0.1	0.9	72.7	-3.2
Total 2005-2079	609.9	519.3	17.0			

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0  
 Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7  
 BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

Office of the Actuary  
 Social Security Administration  
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**Table 1b.c IA Contributions, IA Offset, Other Changes, & Budget Effect**

Broadened IA Investment Options Start in 2009	Average Individual Account Contribution Rate: 1.39%			Benefit Offset: 100.0%		
	Amount	Other Changes		Change in		
	Contributed to	Offset to	In Unified	Annual	Debt Held	Annual
	IA by Federal	OASDI Ben	Budget	Unified Budget	by Public	Unified Budget
Government	From IA	Cash Flow	Cash Flow	(EOY)	Balance	
(1)	(2)	(3)	(4)=(3)+(2)-(1)	(5)	(6)	
Year	<i>(Billions of Constant 2005 \$)</i>					
2006	84.5	0.0	0.0	-84.5	86.7	-86.7
2007	89.5	0.0	0.0	-89.5	180.8	-96.3
2008	91.0	0.0	0.0	-91.0	278.8	-102.8
2009	84.9	0.0	0.0	-84.9	372.9	-101.7
2010	81.1	0.0	0.0	-81.1	465.7	-102.9
2011	76.5	0.0	0.0	-76.5	556.2	-103.3
2012	66.3	0.0	0.0	-66.2	638.9	-97.8
2013	54.6	0.8	0.0	-53.8	711.2	-89.7
2014	41.1	1.6	0.0	-39.5	770.9	-79.1
2015	27.7	2.6	0.0	-25.2	818.1	-68.2
2016	12.8	3.5	0.0	-9.3	850.7	-54.9
2017	0.0	4.6	0.0	4.6	870.5	-43.0
2018	0.0	5.6	0.0	5.6	890.4	-43.5
2019	0.0	6.7	0.0	6.7	910.2	-44.1
2020	0.0	7.8	0.0	7.8	929.4	-44.0
2021	0.0	9.0	0.0	9.0	948.1	-44.0
2022	0.0	10.2	0.0	10.2	966.0	-43.8
2023	0.0	11.4	0.0	11.4	983.3	-43.6
2024	0.0	12.6	0.1	12.7	999.8	-43.3
2025	0.0	13.9	0.1	13.9	1,015.4	-42.9
2026	0.0	15.2	0.1	15.3	1,030.2	-42.4
2027	0.0	16.5	0.1	16.6	1,044.0	-41.9
2028	0.0	17.8	0.2	18.0	1,056.8	-41.3
2029	0.0	19.2	0.2	19.4	1,068.6	-40.6
2030	0.0	20.5	0.2	20.8	1,079.3	-39.8
2031	0.0	21.9	0.3	22.2	1,088.9	-38.9
2032	0.0	23.3	0.3	23.6	1,097.2	-38.0
2033	0.0	24.7	0.4	25.1	1,104.3	-37.0
2034	0.0	26.1	0.4	26.5	1,110.1	-35.9
2035	0.0	27.5	0.5	28.0	1,114.6	-34.7
2036	0.0	28.9	0.5	29.5	1,117.8	-33.5
2037	0.0	30.3	0.6	30.9	1,119.5	-32.2
2038	0.0	31.7	0.7	32.4	1,119.8	-30.8
2039	0.0	33.1	0.7	33.8	1,118.6	-29.3
2040	0.0	34.4	0.8	35.2	1,115.9	-27.8
2041	0.0	35.8	0.9	36.7	1,111.6	-26.1
2042	0.0	37.1	1.0	38.1	1,105.8	-24.4
2043	0.0	38.4	1.1	39.5	1,098.3	-22.6
2044	0.0	39.7	1.2	40.9	1,089.2	-20.8
2045	0.0	41.0	1.3	42.3	1,078.3	-18.8
2046	0.0	42.3	1.4	43.7	1,065.7	-16.7
2047	0.0	43.3	1.5	44.8	1,051.5	-14.9
2048	0.0	44.3	1.6	45.9	1,035.9	-13.0
2049	0.0	45.3	1.7	47.0	1,018.6	-11.0
2050	0.0	46.3	1.8	48.1	999.7	-8.8
2051	0.0	47.9	2.0	49.9	978.4	-5.9
2052	0.0	49.1	2.1	51.2	955.0	-3.3
2053	0.0	49.8	2.2	52.0	930.2	-1.1
2054	0.0	48.8	2.3	51.1	905.5	-0.6
2055	0.0	47.7	2.3	50.0	881.2	-0.4
2056	0.0	46.4	2.3	48.8	857.4	-0.3
2057	0.0	45.0	2.4	47.4	834.4	-0.3
2058	0.0	43.6	2.4	46.0	812.1	-0.5
2059	0.0	42.1	2.4	44.4	790.8	-0.7
2060	0.0	40.5	2.4	42.9	770.4	-1.1
2061	0.0	38.9	2.3	41.3	751.0	-1.6
2062	0.0	37.2	2.3	39.6	732.8	-2.3
2063	0.0	35.5	2.3	37.8	715.9	-3.0
2064	0.0	33.8	2.3	36.0	700.3	-3.9
2065	0.0	32.0	2.2	34.2	686.1	-4.9
2066	0.0	30.2	2.1	32.3	673.4	-6.0
2067	0.0	28.4	2.1	30.4	662.2	-7.2
2068	0.0	26.5	2.0	28.5	652.8	-8.6
2069	0.0	24.7	1.9	26.6	645.0	-10.0
2070	0.0	22.8	1.8	24.7	639.0	-11.5
2071	0.0	21.0	1.7	22.7	634.7	-13.2
2072	0.0	19.2	1.6	20.8	632.3	-14.9
2073	0.0	17.4	1.5	19.0	631.8	-16.7
2074	0.0	15.7	1.4	17.1	633.1	-18.5
2075	0.0	14.1	1.3	15.4	636.3	-20.4
2076	0.0	12.5	1.2	13.7	641.3	-22.3
2077	0.0	11.0	1.1	12.1	648.1	-24.3
2078	0.0	9.6	1.0	10.6	656.6	-26.2
2079	0.0	8.3	0.9	9.2	666.9	-28.1
2080	0.0	7.2	0.8	7.9	678.7	-30.0

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0  
 Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7  
 BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

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**Table 1c OASDI Cash Flow to General Fund of the Treasury--- Proposal vs. Theoretical OASDI**

Broadened IA Investment Options Start in 2009	Proposal				Theoretical Social Security with PAYGO Transfers					
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year <sup>1</sup>				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year <sup>1</sup>					
	Year	Percent of Payroll	Billions of Dollars			Year	Percent of Payroll	Billions of Dollars		
			Current \$	1/1/2005 PV	Const 2005 \$			Current \$	1/1/2005 PV	Const 2005 \$
2005	1.5	70	68	70	2005	1.5	70	68	70	
2006	1.8	88	81	86	2006	1.8	88	81	86	
2007	1.8	94	82	89	2007	1.8	94	82	89	
2008	1.8	98	82	91	2008	1.8	98	82	91	
2009	1.6	94	74	85	2009	1.6	94	74	85	
2010	1.5	92	69	81	2010	1.5	92	69	81	
2011	1.4	90	64	77	2011	1.4	90	64	77	
2012	1.2	80	54	66	2012	1.2	80	54	66	
2013	1.0	68	43	55	2013	1.0	67	43	54	
2014	0.7	52	32	41	2014	0.7	50	30	40	
2015	0.5	36	21	28	2015	0.4	33	19	25	
2016	0.2	17	9	13	2016	0.2	12	7	9	
2017	-0.1	-4	-2	-3	2017	-0.1	-11	-5	-8	
2018	-0.3	-28	-14	-20	2018	-0.4	-36	-17	-25	
2019	-0.6	-54	-25	-37	2019	-0.7	-64	-29	-44	
2020	-0.9	-83	-36	-55	2020	-1.0	-95	-41	-63	
2021	-1.2	-114	-47	-74	2021	-1.3	-128	-52	-83	
2022	-1.4	-147	-57	-93	2022	-1.6	-163	-63	-103	
2023	-1.7	-181	-66	-111	2023	-1.9	-200	-73	-123	
2024	-2.0	-218	-75	-130	2024	-2.2	-239	-82	-143	
2025	-2.2	-257	-84	-149	2025	-2.4	-281	-91	-163	
2026	-2.5	-298	-92	-169	2026	-2.7	-325	-100	-184	
2027	-2.7	-340	-99	-187	2027	-3.0	-370	-107	-203	
2028	-2.9	-381	-104	-204	2028	-3.2	-415	-114	-222	
2029	-3.1	-422	-109	-219	2029	-3.4	-459	-119	-239	
2030	-3.3	-463	-113	-234	2030	-3.6	-504	-123	-255	
2031	-3.4	-505	-116	-248	2031	-3.7	-550	-127	-270	
2032	-3.5	-546	-119	-261	2032	-3.9	-595	-130	-285	
2033	-3.6	-585	-120	-272	2033	-4.0	-639	-132	-297	
2034	-3.7	-622	-121	-282	2034	-4.1	-681	-132	-308	
2035	-3.8	-658	-121	-290	2035	-4.1	-722	-132	-318	
2036	-3.8	-693	-120	-297	2036	-4.2	-762	-132	-326	
2037	-3.8	-728	-119	-303	2037	-4.2	-802	-131	-334	
2038	-3.9	-760	-118	-308	2038	-4.3	-840	-130	-341	
2039	-3.8	-792	-116	-312	2039	-4.3	-877	-128	-346	
2040	-3.8	-824	-114	-316	2040	-4.3	-916	-126	-351	
2041	-3.8	-857	-112	-320	2041	-4.3	-955	-124	-356	
2042	-3.8	-892	-110	-324	2042	-4.3	-997	-123	-362	
2043	-3.8	-928	-108	-328	2043	-4.3	-1,040	-121	-367	
2044	-3.8	-966	-106	-332	2044	-4.3	-1,085	-119	-373	
2045	-3.8	-1,006	-104	-336	2045	-4.3	-1,133	-117	-378	
2046	-3.8	-1,049	-103	-341	2046	-4.3	-1,183	-116	-385	
2047	-3.8	-1,095	-101	-346	2047	-4.3	-1,237	-114	-391	
2048	-3.8	-1,144	-100	-352	2048	-4.3	-1,293	-113	-398	
2049	-3.8	-1,196	-99	-358	2049	-4.4	-1,353	-112	-405	
2050	-3.9	-1,252	-97	-364	2050	-4.4	-1,417	-110	-412	
2051	-3.9	-1,310	-96	-371	2051	-4.4	-1,486	-109	-421	
2052	-3.9	-1,374	-95	-378	2052	-4.4	-1,560	-108	-430	
2053	-3.9	-1,444	-95	-387	2053	-4.5	-1,639	-108	-439	
2054	-4.0	-1,525	-95	-398	2054	-4.5	-1,722	-107	-449	
2055	-4.1	-1,613	-94	-409	2055	-4.6	-1,810	-106	-459	
2056	-4.1	-1,707	-94	-421	2056	-4.6	-1,905	-105	-470	
2057	-4.2	-1,807	-94	-434	2057	-4.7	-2,005	-105	-481	
2058	-4.3	-1,913	-94	-446	2058	-4.7	-2,110	-104	-492	
2059	-4.3	-2,024	-94	-459	2059	-4.8	-2,220	-103	-504	
2060	-4.4	-2,141	-94	-473	2060	-4.8	-2,335	-103	-516	
2061	-4.5	-2,265	-94	-487	2061	-4.9	-2,457	-102	-528	
2062	-4.5	-2,398	-94	-501	2062	-4.9	-2,587	-101	-541	
2063	-4.6	-2,540	-94	-516	2063	-5.0	-2,726	-101	-554	
2064	-4.7	-2,689	-94	-532	2064	-5.0	-2,872	-100	-568	
2065	-4.8	-2,845	-94	-547	2065	-5.1	-3,023	-100	-581	
2066	-4.9	-3,009	-94	-563	2066	-5.1	-3,182	-99	-595	
2067	-4.9	-3,182	-94	-579	2067	-5.2	-3,350	-99	-610	
2068	-5.0	-3,362	-94	-595	2068	-5.2	-3,523	-98	-624	
2069	-5.1	-3,549	-93	-611	2069	-5.3	-3,704	-97	-638	
2070	-5.1	-3,743	-93	-627	2070	-5.3	-3,890	-97	-652	
2071	-5.2	-3,944	-92	-643	2071	-5.4	-4,084	-96	-665	
2072	-5.3	-4,156	-92	-659	2072	-5.4	-4,287	-95	-680	
2073	-5.3	-4,375	-91	-675	2073	-5.5	-4,498	-94	-694	
2074	-5.4	-4,605	-91	-691	2074	-5.5	-4,719	-93	-708	
2075	-5.4	-4,845	-90	-707	2075	-5.5	-4,951	-92	-722	
2076	-5.5	-5,097	-90	-723	2076	-5.6	-5,194	-91	-737	
2077	-5.5	-5,361	-89	-740	2077	-5.6	-5,448	-91	-752	
2078	-5.6	-5,637	-89	-757	2078	-5.7	-5,715	-90	-768	
2079	-5.6	-5,925	-88	-774	2079	-5.7	-5,996	-89	-783	
2080	-5.7	-6,227	-87	-791	2080	-5.8	-6,290	-88	-799	
Total 2005-79			-5,163					-5,699		

<sup>1</sup> Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers specified in the proposal or in the theoretical plan (PAYGO Transfers).

**Table 1d Change in Long-Range Trust Fund Assets / Unfunded Obligation**

Year	Average Individual Account Contribution Rate: 1.39% Benefit Offset: 100.0%				
	Present Law OASDI				Proposal OASDI
	Trust Fund Assets or if Negative, Unfunded Obligation Through EOY	Basic Changes in OASDI Cash Flow <sup>1</sup>	Offset to OASDI Benefit from IA	Total Change Through EOY <sup>2</sup>	Trust Fund Assets/ Unfunded Obligation Through EOY
	(1)	(2)	(3)	(4)	(5) = (1) + (4)
	<i>(Billions of \$, Present Value on 1-1-2005)</i>				
2006	1,835.2	0.0	0.0	0.0	1,835.2
2007	1,917.1	0.0	0.0	0.0	1,917.1
2008	1,998.4	0.0	0.0	0.0	1,998.4
2009	2,072.5	0.0	0.0	0.0	2,072.5
2010	2,141.5	0.0	0.0	0.0	2,141.5
2011	2,204.9	0.0	0.0	0.0	2,204.9
2012	2,258.4	0.0	0.0	0.0	2,258.5
2013	2,300.8	0.0	0.6	0.7	2,301.4
2014	2,331.0	0.0	1.3	1.9	2,332.9
2015	2,349.7	0.0	1.9	3.8	2,353.6
2016	2,356.4	0.0	2.6	6.4	2,362.8
2017	2,350.7	0.0	3.2	9.6	2,360.4
2018	2,333.1	0.0	3.9	13.5	2,346.7
2019	2,303.8	0.0	4.5	18.0	2,321.8
2020	2,262.7	0.0	5.1	23.1	2,285.8
2021	2,210.4	0.0	5.7	28.7	2,239.2
2022	2,147.5	0.0	6.2	35.0	2,182.5
2023	2,074.6	0.0	6.8	41.8	2,116.3
2024	1,992.1	0.0	7.3	49.1	2,041.1
2025	1,900.6	0.0	7.8	56.9	1,957.4
2026	1,800.6	0.1	8.2	65.2	1,865.8
2027	1,693.2	0.1	8.7	73.9	1,767.1
2028	1,579.5	0.1	9.1	83.2	1,662.7
2029	1,460.7	0.1	9.5	92.8	1,553.5
2030	1,337.6	0.1	9.9	102.8	1,440.4
2031	1,210.7	0.1	10.3	113.3	1,323.9
2032	1,080.9	0.1	10.6	124.0	1,204.9
2033	949.4	0.2	10.9	135.1	1,084.5
2034	817.0	0.2	11.2	146.5	963.5
2035	684.5	0.2	11.5	158.2	842.7
2036	552.4	0.2	11.7	170.1	722.5
2037	421.0	0.2	11.9	182.3	603.3
2038	291.1	0.3	12.1	194.6	485.7
2039	162.9	0.3	12.2	207.1	370.0
2040	36.6	0.3	12.4	219.8	256.4
2041	-87.9	0.3	12.5	232.6	144.7
2042	-210.7	0.3	12.6	245.5	34.9
2043	-331.6	0.4	12.6	258.5	-73.0
2044	-450.7	0.4	12.7	271.6	-179.1
2045	-568.1	0.4	12.7	284.7	-283.4
2046	-684.0	0.4	12.8	297.9	-386.1
2047	-798.4	0.4	12.7	311.0	-487.3
2048	-911.3	0.5	12.6	324.0	-587.3
2049	-1,022.9	0.5	12.5	337.0	-685.9
2050	-1,133.2	0.5	12.4	349.9	-783.4
2051	-1,242.5	0.5	12.4	362.8	-879.7
2052	-1,350.9	0.5	12.4	375.7	-975.2
2053	-1,458.4	0.5	12.2	388.5	-1,069.9
2054	-1,565.1	0.5	11.6	400.6	-1,164.5
2055	-1,671.0	0.5	11.0	412.2	-1,258.8
2056	-1,776.3	0.5	10.4	423.1	-1,353.2
2057	-1,881.0	0.5	9.8	433.4	-1,447.6
2058	-1,985.0	0.5	9.2	443.1	-1,541.9
2059	-2,088.4	0.5	8.6	452.2	-1,636.1
2060	-2,191.0	0.5	8.1	460.8	-1,730.2
2061	-2,293.1	0.5	7.5	468.8	-1,824.3
2062	-2,394.6	0.4	7.0	476.2	-1,918.4
2063	-2,495.5	0.4	6.5	483.1	-2,012.4
2064	-2,596.0	0.4	6.0	489.5	-2,106.5
2065	-2,695.9	0.4	5.5	495.3	-2,200.5
2066	-2,795.2	0.4	5.0	500.7	-2,294.4
2067	-2,893.9	0.3	4.6	505.7	-2,388.2
2068	-2,991.9	0.3	4.2	510.1	-2,481.8
2069	-3,089.3	0.3	3.8	514.2	-2,575.1
2070	-3,185.8	0.3	3.4	517.9	-2,668.0
2071	-3,281.6	0.2	3.0	521.1	-2,760.4
2072	-3,376.5	0.2	2.7	524.0	-2,852.4
2073	-3,470.6	0.2	2.4	526.6	-2,943.9
2074	-3,563.7	0.2	2.1	528.9	-3,034.9
2075	-3,656.1	0.2	1.8	530.8	-3,125.2
2076	-3,747.6	0.1	1.6	532.5	-3,215.0
2077	-3,838.2	0.1	1.3	534.0	-3,304.2
2078	-3,928.0	0.1	1.1	535.2	-3,392.8
2079	-4,017.0	0.1	0.9	536.3	-3,480.7
Total 2005-2079		17.0	519.3		

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0

Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7

BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

<sup>1</sup>Includes revenue from taxing IA distributions.

<sup>2</sup>Total change through the year is the accumulation of changes in columns 2 and 3.

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Social Security Administration  
July 14, 2005

**Table 2 McCreary, Shaw, Johnson, Ryan and Shadegg: IA Contributions from General Revenue Equal to OASDI Cash-Flow**

<b>IA Investment</b>		Ultimate Real Trust Fund Interest Rate of 3.0		Average IA Contribution is 1.39% of taxable earnings				
<b>Only in</b>		Benefit Offset Yield Rate = TreasBondYield - 0.3=2.7		Assumed Participation in Voluntary IA: 100.0% - DEFAULT				
<b>Treasury</b>		BenefitOffsetDiscount Rate = TreasBondYield - 0.3=2.7		Benefit Offset: 100.0%				
<b>Bond Fund</b>		BenefitOffsetDiscount Rate = TreasBondYield - 0.3=2.7						
<u>Year</u>	<u>Cost Rate<sup>1</sup></u>	<u>Income Rate</u>	<u>Annual Balance</u>	<u>TFR 1-1-yr</u>	Individual Account	"Effective"	Net	"Effective"
					Contribution Rate	Change in OASDI Contribution	OASDI Contribution	IA Contribution
					for Enrollees under 55 on 1/1/2005	Rate	Rate	Rate
2005	11.13	12.72	1.59	320			12.40	0.00
2006	11.00	12.73	1.73	337	2.22	0.00	12.40	1.73
2007	10.95	12.74	1.79	355	2.12	0.00	12.40	1.79
2008	10.99	12.78	1.80	370	2.06	0.00	12.40	1.78
2009	11.13	12.77	1.65	382	1.85	0.00	12.40	1.63
2010	11.25	12.79	1.54	394	1.70	0.00	12.40	1.52
2011	11.42	12.84	1.42	404	1.55	0.00	12.40	1.41
2012	11.67	12.87	1.21	410	1.30	0.00	12.40	1.20
2013	11.92	12.90	0.98	415	1.04	0.00	12.40	0.97
2014	12.18	12.92	0.74	418	0.76	0.00	12.40	0.72
2015	12.44	12.94	0.49	419	0.50	0.00	12.40	0.48
2016	12.73	12.96	0.23	418	0.22	0.00	12.40	0.22
2017	13.02	12.98	-0.04	416		0.00	12.40	0.00
2018	13.31	13.00	-0.31	412		0.00	12.40	0.00
2019	13.60	13.01	-0.59	406		0.00	12.40	0.00
2020	13.90	13.03	-0.87	399		0.00	12.40	0.00
2021	14.20	13.05	-1.15	390		0.00	12.40	0.00
2022	14.50	13.07	-1.42	381		0.00	12.40	0.00
2023	14.78	13.09	-1.69	370		0.00	12.40	0.00
2024	15.06	13.11	-1.96	358		0.00	12.40	0.00
2025	15.34	13.12	-2.22	344		0.00	12.40	0.00
2026	15.61	13.14	-2.47	330		0.00	12.40	0.00
2027	15.86	13.16	-2.70	314		0.00	12.40	0.00
2028	16.08	13.17	-2.91	298		0.00	12.40	0.00
2029	16.28	13.19	-3.09	282		0.00	12.40	0.00
2030	16.46	13.20	-3.26	265		0.00	12.40	0.00
2031	16.62	13.21	-3.41	247		0.00	12.40	0.00
2032	16.76	13.22	-3.54	229		0.00	12.40	0.00
2033	16.87	13.23	-3.64	210		0.00	12.40	0.00
2034	16.95	13.24	-3.71	191		0.00	12.40	0.00
2035	17.01	13.24	-3.77	172		0.00	12.40	0.00
2036	17.06	13.25	-3.81	152		0.00	12.40	0.00
2037	17.09	13.25	-3.84	132		0.00	12.40	0.00
2038	17.11	13.26	-3.85	112		0.00	12.40	0.00
2039	17.10	13.26	-3.84	91		0.00	12.40	0.00
2040	17.10	13.26	-3.84	71		0.00	12.40	0.00
2041	17.10	13.26	-3.83	50		0.00	12.40	0.00
2042	17.09	13.27	-3.83	28		0.00	12.40	0.00
2043	17.09	13.27	-3.82	6		0.00	12.40	0.00
2044	17.08	13.27	-3.81	--		0.00	12.40	0.00
2045	17.08	13.27	-3.81	--		0.00	12.40	0.00
2046	17.09	13.27	-3.82	--		0.00	12.40	0.00
2047	17.10	13.27	-3.83	--		0.00	12.40	0.00
2048	17.11	13.28	-3.84	--		0.00	12.40	0.00
2049	17.13	13.28	-3.85	--		0.00	12.40	0.00
2050	17.15	13.28	-3.87	--		0.00	12.40	0.00
2051	17.17	13.28	-3.89	--		0.00	12.40	0.00
2052	17.21	13.29	-3.92	--		0.00	12.40	0.00
2053	17.25	13.29	-3.96	--		0.00	12.40	0.00
2054	17.31	13.29	-4.01	--		0.00	12.40	0.00
2055	17.37	13.30	-4.07	--		0.00	12.40	0.00
2056	17.44	13.30	-4.14	--		0.00	12.40	0.00
2057	17.51	13.30	-4.21	--		0.00	12.40	0.00
2058	17.58	13.31	-4.28	--		0.00	12.40	0.00
2059	17.66	13.31	-4.35	--		0.00	12.40	0.00
2060	17.73	13.31	-4.41	--		0.00	12.40	0.00
2061	17.80	13.32	-4.48	--		0.00	12.40	0.00
2062	17.88	13.32	-4.56	--		0.00	12.40	0.00
2063	17.96	13.32	-4.63	--		0.00	12.40	0.00
2064	18.04	13.33	-4.71	--		0.00	12.40	0.00
2065	18.12	13.33	-4.79	--		0.00	12.40	0.00
2066	18.20	13.34	-4.86	--		0.00	12.40	0.00
2067	18.28	13.34	-4.94	--		0.00	12.40	0.00
2068	18.35	13.34	-5.01	--		0.00	12.40	0.00
2069	18.42	13.35	-5.07	--		0.00	12.40	0.00
2070	18.49	13.35	-5.14	--		0.00	12.40	0.00
2071	18.55	13.35	-5.20	--		0.00	12.40	0.00
2072	18.61	13.36	-5.26	--		0.00	12.40	0.00
2073	18.67	13.36	-5.32	--		0.00	12.40	0.00
2074	18.73	13.36	-5.37	--		0.00	12.40	0.00
2075	18.79	13.36	-5.43	--		0.00	12.40	0.00
2076	18.85	13.37	-5.48	--		0.00	12.40	0.00
2077	18.91	13.37	-5.54	--		0.00	12.40	0.00
2078	18.96	13.37	-5.59	--		0.00	12.40	0.00
2079	19.02	13.37	-5.64	--		0.00	12.40	0.00
2080	19.07	13.38	-5.70	--		0.00	12.40	0.00

Summarized OASDI

	<u>Cost Rate</u>	<u>Income Rate</u>	<u>Actuarial Balance</u>	<u>Change in Actuarial Balance</u>
2005 - 2079	15.56	13.87	-1.69	0.23

Based on Intermediate Assumptions of the 2005 Trustees Report. All values are expressed as percents of taxable payroll, except TFR.

With Ultimate Real Trust Fund Interest Rate of 3.0

<sup>1</sup>Net of Benefit Offset

**Table 2a Proposal General Fund Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets**

Calendar Year	Contributions to GROW Accounts From the General Fund				Total OASDI Trust Fund Assets at End of Year (5)	Individual Account Assets <sup>1</sup> at End of Year (6)	GDP (7)	Theoretical Social Security <sup>2</sup> with Borrowing Authority	
	Annual Transfers			Accumulated as of End of Year (4)				Net OASDI Trust Fund Assets at EOY	
	Present Value as of 1-1-2005 (1)	Percent of Taxable Payroll (2)	Annual Transfers (3)					Without General Fund Transfers (8)	With Plan General Fund Transfers (9)
2005	0.0	0.0	0.0	0	1,850	0	12,359	1,850	1,850
2006	79.8	1.7	84.5	84	1,995	87	12,746	1,995	2,079
2007	82.3	1.8	89.5	176	2,139	180	13,080	2,139	2,315
2008	81.7	1.8	91.0	272	2,285	278	13,389	2,285	2,557
2009	74.4	1.6	84.9	363	2,429	371	13,690	2,429	2,793
2010	69.3	1.5	81.1	454	2,574	462	13,989	2,574	3,027
2011	63.7	1.4	76.5	542	2,719	551	14,286	2,719	3,260
2012	53.8	1.2	66.3	622	2,858	632	14,573	2,858	3,480
2013	43.2	1.0	54.6	693	2,990	702	14,850	2,989	3,682
2014	31.7	0.7	41.1	753	3,113	759	15,125	3,110	3,863
2015	20.8	0.5	27.7	801	3,227	804	15,398	3,222	4,023
2016	9.3	0.2	12.8	836	3,331	834	15,669	3,322	4,158
2017	0.0	0.0	0.0	860	3,423	851	15,942	3,409	4,269
2018	0.0	0.0	0.0	885	3,504	867	16,214	3,483	4,368
2019	0.0	0.0	0.0	911	3,570	884	16,489	3,543	4,454
2020	0.0	0.0	0.0	939	3,621	900	16,759	3,584	4,523
2021	0.0	0.0	0.0	967	3,653	915	17,032	3,606	4,573
2022	0.0	0.0	0.0	996	3,667	929	17,302	3,609	4,605
2023	0.0	0.0	0.0	1,026	3,663	942	17,574	3,591	4,616
2024	0.0	0.0	0.0	1,057	3,639	955	17,843	3,551	4,608
2025	0.0	0.0	0.0	1,088	3,594	966	18,111	3,490	4,578
2026	0.0	0.0	0.0	1,121	3,528	977	18,383	3,405	4,526
2027	0.0	0.0	0.0	1,155	3,442	986	18,665	3,298	4,453
2028	0.0	0.0	0.0	1,189	3,335	995	18,955	3,169	4,358
2029	0.0	0.0	0.0	1,225	3,210	1,002	19,245	3,019	4,244
2030	0.0	0.0	0.0	1,262	3,065	1,008	19,537	2,847	4,109
2031	0.0	0.0	0.0	1,299	2,901	1,012	19,836	2,654	3,954
2032	0.0	0.0	0.0	1,338	2,719	1,016	20,147	2,441	3,779
2033	0.0	0.0	0.0	1,379	2,520	1,018	20,468	2,208	3,587
2034	0.0	0.0	0.0	1,420	2,306	1,019	20,792	1,957	3,377
2035	0.0	0.0	0.0	1,463	2,076	1,018	21,116	1,689	3,152
2036	0.0	0.0	0.0	1,506	1,832	1,016	21,446	1,404	2,910
2037	0.0	0.0	0.0	1,552	1,575	1,012	21,785	1,102	2,654
2038	0.0	0.0	0.0	1,598	1,304	1,007	22,132	785	2,383
2039	0.0	0.0	0.0	1,646	1,021	1,000	22,486	452	2,099
2040	0.0	0.0	0.0	1,696	726	991	22,842	105	1,800
2041	0.0	0.0	0.0	1,746	418	981	23,204	-259	1,487
2042	0.0	0.0	0.0	1,799	96	970	23,573	-639	1,159
2043	0.0	0.0	0.0	1,853	-240	956	23,948	-1,036	816
2044	0.0	0.0	0.0	1,908	-589	942	24,325	-1,451	457
2045	0.0	0.0	0.0	1,966	-954	925	24,702	-1,884	82
2046	0.0	0.0	0.0	2,025	-1,335	906	25,081	-2,336	-312
2047	0.0	0.0	0.0	2,085	-1,733	886	25,466	-2,809	-724
2048	0.0	0.0	0.0	2,148	-2,149	865	25,857	-3,302	-1,155
2049	0.0	0.0	0.0	2,212	-2,583	841	26,248	-3,818	-1,606
2050	0.0	0.0	0.0	2,279	-3,037	817	26,640	-4,357	-2,078
2051	0.0	0.0	0.0	2,347	-3,512	789	27,040	-4,920	-2,573
2052	0.0	0.0	0.0	2,417	-4,009	760	27,447	-5,510	-3,092
2053	0.0	0.0	0.0	2,490	-4,529	730	27,860	-6,127	-3,637
2054	0.0	0.0	0.0	2,565	-5,077	699	28,281	-6,772	-4,208
2055	0.0	0.0	0.0	2,642	-5,652	669	28,705	-7,448	-4,806
2056	0.0	0.0	0.0	2,721	-6,257	640	29,132	-8,154	-5,433
2057	0.0	0.0	0.0	2,802	-6,893	611	29,567	-8,894	-6,091
2058	0.0	0.0	0.0	2,887	-7,562	582	30,008	-9,667	-6,781
2059	0.0	0.0	0.0	2,973	-8,264	555	30,455	-10,476	-7,503
2060	0.0	0.0	0.0	3,062	-9,001	528	30,907	-11,321	-8,258
2061	0.0	0.0	0.0	3,154	-9,774	502	31,364	-12,203	-9,049
2062	0.0	0.0	0.0	3,249	-10,585	478	31,831	-13,126	-9,877
2063	0.0	0.0	0.0	3,346	-11,436	454	32,308	-14,089	-10,743
2064	0.0	0.0	0.0	3,447	-12,328	431	32,790	-15,096	-11,650
2065	0.0	0.0	0.0	3,550	-13,264	410	33,279	-16,147	-12,597
2066	0.0	0.0	0.0	3,657	-14,243	390	33,765	-17,244	-13,588
2067	0.0	0.0	0.0	3,766	-15,268	372	34,259	-18,389	-14,623
2068	0.0	0.0	0.0	3,879	-16,341	354	34,772	-19,582	-15,703
2069	0.0	0.0	0.0	3,996	-17,462	339	35,294	-20,826	-16,831
2070	0.0	0.0	0.0	4,115	-18,633	324	35,822	-22,121	-18,006
2071	0.0	0.0	0.0	4,239	-19,855	312	36,355	-23,470	-19,231
2072	0.0	0.0	0.0	4,366	-21,130	300	36,895	-24,873	-20,507
2073	0.0	0.0	0.0	4,497	-22,460	290	37,445	-26,333	-21,836
2074	0.0	0.0	0.0	4,632	-23,846	282	38,003	-27,851	-23,219
2075	0.0	0.0	0.0	4,771	-25,290	275	38,566	-29,430	-24,659
2076	0.0	0.0	0.0	4,914	-26,794	270	39,137	-31,072	-26,157
2077	0.0	0.0	0.0	5,062	-28,361	266	39,714	-32,778	-27,716
2078	0.0	0.0	0.0	5,213	-29,991	263	40,300	-34,551	-29,338
2079	0.0	0.0	0.0	5,370	-31,689	262	40,894	-36,394	-31,024
2080	0.0	0.0	0.0	5,531	-33,455	261	41,496	-38,308	-32,777
Total	609.9								

Based on Intermediate Assumptions of the 2005 Trustees Report.

<sup>1</sup> Including annuity assets, assuming all annuitize fully.

<sup>2</sup> Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

Office of the Actuary  
 Social Security Administration  
 July 14, 2005



**Table 2b IA Contributions, IA Offset, Other Changes, & Budget Effect**

IA Investment Only in Treasury Bond Fund	Average Individual Account Contribution Rate: 1.39%			Benefit Offset: 100.0%		
	Amount	Other Changes		Change in		
	Contributed to	Offset to	In Unified	Annual	Debt Held	Annual
	IA by Federal	OASDI Ben	Budget	Unified Budget	by Public	Unified Budget
Government	From IA	Cash Flow	Cash Flow	(EOY)	Balance	
(1)	(2)	(3)	(4)=(3)+(2)-(1)	(5)	(6)	
Year	<i>(Billions of \$, Present Value on 1-1-2005)</i>					
2006	79.8	0.0	0.0	-79.8	79.8	-79.8
2007	82.3	0.0	0.0	-82.3	162.1	-86.3
2008	81.7	0.0	0.0	-81.7	243.8	-89.9
2009	74.4	0.0	0.0	-74.4	318.2	-86.8
2010	69.3	0.0	0.0	-69.3	387.4	-85.6
2011	63.7	0.0	0.0	-63.7	451.1	-83.8
2012	53.8	0.0	0.0	-53.7	504.9	-77.3
2013	43.2	0.6	0.0	-42.5	547.4	-69.1
2014	31.7	1.3	0.0	-30.4	577.8	-59.3
2015	20.8	1.9	0.0	-18.9	596.7	-49.7
2016	9.3	2.6	0.0	-6.7	603.4	-38.9
2017	0.0	3.2	0.0	3.2	600.2	-29.6
2018	0.0	3.9	0.0	3.9	596.3	-29.2
2019	0.0	4.5	0.0	4.5	591.9	-28.7
2020	0.0	5.1	0.0	5.1	586.8	-27.8
2021	0.0	5.7	0.0	5.7	581.1	-26.9
2022	0.0	6.2	0.0	6.2	574.9	-26.1
2023	0.0	6.8	0.0	6.8	568.1	-25.2
2024	0.0	7.3	0.0	7.3	560.9	-24.3
2025	0.0	7.8	0.0	7.8	553.1	-23.4
2026	0.0	8.2	0.0	8.2	544.9	-22.5
2027	0.0	8.7	0.0	8.7	536.2	-21.6
2028	0.0	9.1	0.0	9.1	527.0	-20.7
2029	0.0	9.5	0.0	9.5	517.5	-19.7
2030	0.0	9.9	0.0	9.9	507.5	-18.8
2031	0.0	10.3	0.0	10.3	497.3	-17.9
2032	0.0	10.6	0.0	10.6	486.6	-17.0
2033	0.0	10.9	0.0	10.9	475.7	-16.1
2034	0.0	11.2	0.0	11.2	464.5	-15.2
2035	0.0	11.5	0.0	11.5	453.0	-14.3
2036	0.0	11.7	0.0	11.7	441.3	-13.5
2037	0.0	11.9	0.0	11.9	429.4	-12.6
2038	0.0	12.1	0.0	12.1	417.3	-11.8
2039	0.0	12.2	0.0	12.2	405.0	-10.9
2040	0.0	12.4	0.0	12.4	392.7	-10.1
2041	0.0	12.5	0.0	12.5	380.2	-9.3
2042	0.0	12.6	0.0	12.6	367.6	-8.5
2043	0.0	12.6	0.0	12.6	354.9	-7.8
2044	0.0	12.7	0.0	12.7	342.2	-7.0
2045	0.0	12.7	0.0	12.7	329.5	-6.3
2046	0.0	12.8	0.0	12.8	316.8	-5.6
2047	0.0	12.7	0.0	12.7	304.1	-4.9
2048	0.0	12.6	0.0	12.6	291.5	-4.3
2049	0.0	12.5	0.0	12.5	279.0	-3.7
2050	0.0	12.4	0.0	12.4	266.7	-3.1
2051	0.0	12.4	0.0	12.4	254.2	-2.4
2052	0.0	12.4	0.0	12.4	241.8	-1.7
2053	0.0	12.2	0.0	12.2	229.6	-1.2
2054	0.0	11.6	0.0	11.6	218.0	-1.1
2055	0.0	11.0	0.0	11.0	207.0	-1.1
2056	0.0	10.4	0.0	10.4	196.6	-1.1
2057	0.0	9.8	0.0	9.8	186.8	-1.1
2058	0.0	9.2	0.0	9.2	177.6	-1.2
2059	0.0	8.6	0.0	8.6	169.0	-1.2
2060	0.0	8.1	0.0	8.1	160.9	-1.3
2061	0.0	7.5	0.0	7.5	153.4	-1.4
2062	0.0	7.0	0.0	7.0	146.4	-1.5
2063	0.0	6.5	0.0	6.5	139.9	-1.7
2064	0.0	6.0	0.0	6.0	133.9	-1.8
2065	0.0	5.5	0.0	5.5	128.4	-1.9
2066	0.0	5.0	0.0	5.0	123.4	-2.1
2067	0.0	4.6	0.0	4.6	118.8	-2.3
2068	0.0	4.2	0.0	4.2	114.6	-2.4
2069	0.0	3.8	0.0	3.8	110.9	-2.6
2070	0.0	3.4	0.0	3.4	107.5	-2.8
2071	0.0	3.0	0.0	3.0	104.4	-3.0
2072	0.0	2.7	0.0	2.7	101.8	-3.1
2073	0.0	2.4	0.0	2.4	99.4	-3.3
2074	0.0	2.1	0.0	2.1	97.3	-3.5
2075	0.0	1.8	0.0	1.8	95.5	-3.6
2076	0.0	1.6	0.0	1.6	94.0	-3.8
2077	0.0	1.3	0.0	1.3	92.7	-3.9
2078	0.0	1.1	0.0	1.1	91.5	-4.0
2079	0.0	0.9	0.0	0.9	90.6	-4.1
2080	0.0	0.8	0.0	0.8	89.8	-4.2
Total 2005-2079	609.9	519.3	0.0			

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0  
 Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7  
 BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

Office of the Actuary  
 Social Security Administration  
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**Table 2b.c IA Contributions, IA Offset, Other Changes, & Budget Effect**

IA Investment Only in Treasury Bond Fund	Average Individual Account Contribution Rate: 1.39%			Benefit Offset: 100.0%		
	Amount	Other Changes		Change in		
	Contributed to IA by Federal Government	Offset to OASDI Ben From IA	In Unified Budget Cash Flow	Annual Unified Budget Cash Flow	Debt Held by Public (EOY)	Annual Unified Budget Balance
	(1)	(2)	(3)	(4)=(3)+(2)-(1)	(5)	(6)
<u>Year</u>	<i>(Billions of Constant 2005 \$)</i>					
2006	84.5	0.0	0.0	-84.5	86.7	-86.7
2007	89.5	0.0	0.0	-89.5	180.8	-96.3
2008	91.0	0.0	0.0	-91.0	278.8	-102.8
2009	84.9	0.0	0.0	-84.9	372.9	-101.7
2010	81.1	0.0	0.0	-81.1	465.7	-102.9
2011	76.5	0.0	0.0	-76.5	556.2	-103.3
2012	66.3	0.0	0.0	-66.2	638.9	-97.8
2013	54.6	0.8	0.0	-53.8	711.2	-89.7
2014	41.1	1.6	0.0	-39.5	770.9	-79.1
2015	27.7	2.6	0.0	-25.2	818.1	-68.2
2016	12.8	3.5	0.0	-9.3	850.7	-54.9
2017	0.0	4.6	0.0	4.6	870.5	-43.0
2018	0.0	5.6	0.0	5.6	890.3	-43.5
2019	0.0	6.7	0.0	6.7	910.1	-44.1
2020	0.0	7.8	0.0	7.8	929.4	-44.0
2021	0.0	9.0	0.0	9.0	948.1	-44.0
2022	0.0	10.2	0.0	10.2	966.0	-43.8
2023	0.0	11.4	0.0	11.4	983.3	-43.6
2024	0.0	12.6	0.0	12.6	999.9	-43.3
2025	0.0	13.9	0.0	13.9	1,015.6	-43.0
2026	0.0	15.2	0.0	15.2	1,030.5	-42.5
2027	0.0	16.5	0.0	16.5	1,044.4	-42.0
2028	0.0	17.8	0.0	17.8	1,057.4	-41.5
2029	0.0	19.2	0.0	19.2	1,069.4	-40.8
2030	0.0	20.5	0.0	20.5	1,080.4	-40.1
2031	0.0	21.9	0.0	21.9	1,090.2	-39.3
2032	0.0	23.3	0.0	23.3	1,098.9	-38.4
2033	0.0	24.7	0.0	24.7	1,106.5	-37.5
2034	0.0	26.1	0.0	26.1	1,112.8	-36.5
2035	0.0	27.5	0.0	27.5	1,117.9	-35.4
2036	0.0	28.9	0.0	28.9	1,121.6	-34.2
2037	0.0	30.3	0.0	30.3	1,124.1	-33.0
2038	0.0	31.7	0.0	31.7	1,125.2	-31.7
2039	0.0	33.1	0.0	33.1	1,124.9	-30.4
2040	0.0	34.4	0.0	34.4	1,123.3	-29.0
2041	0.0	35.8	0.0	35.8	1,120.2	-27.5
2042	0.0	37.1	0.0	37.1	1,115.6	-25.9
2043	0.0	38.4	0.0	38.4	1,109.5	-24.3
2044	0.0	39.7	0.0	39.7	1,101.9	-22.6
2045	0.0	41.0	0.0	41.0	1,092.8	-20.8
2046	0.0	42.3	0.0	42.3	1,082.0	-19.0
2047	0.0	43.3	0.0	43.3	1,069.9	-17.4
2048	0.0	44.3	0.0	44.3	1,056.4	-15.7
2049	0.0	45.3	0.0	45.3	1,041.6	-13.9
2050	0.0	46.3	0.0	46.3	1,025.2	-12.0
2051	0.0	47.9	0.0	47.9	1,006.6	-9.4
2052	0.0	49.1	0.0	49.1	986.4	-7.1
2053	0.0	49.8	0.0	49.8	964.7	-5.2
2054	0.0	48.8	0.0	48.8	943.4	-5.0
2055	0.0	47.7	0.0	47.7	922.6	-4.9
2056	0.0	46.4	0.0	46.4	902.5	-5.0
2057	0.0	45.0	0.0	45.0	883.3	-5.3
2058	0.0	43.6	0.0	43.6	864.9	-5.7
2059	0.0	42.1	0.0	42.1	847.6	-6.2
2060	0.0	40.5	0.0	40.5	831.3	-6.8
2061	0.0	38.9	0.0	38.9	816.2	-7.5
2062	0.0	37.2	0.0	37.2	802.3	-8.4
2063	0.0	35.5	0.0	35.5	789.8	-9.4
2064	0.0	33.8	0.0	33.8	778.8	-10.4
2065	0.0	32.0	0.0	32.0	769.2	-11.6
2066	0.0	30.2	0.0	30.2	761.2	-12.9
2067	0.0	28.4	0.0	28.4	754.8	-14.4
2068	0.0	26.5	0.0	26.5	750.2	-15.9
2069	0.0	24.7	0.0	24.7	747.3	-17.5
2070	0.0	22.8	0.0	22.8	746.2	-19.3
2071	0.0	21.0	0.0	21.0	747.0	-21.1
2072	0.0	19.2	0.0	19.2	749.7	-23.0
2073	0.0	17.4	0.0	17.4	754.2	-25.0
2074	0.0	15.7	0.0	15.7	760.7	-27.0
2075	0.0	14.1	0.0	14.1	769.0	-29.1
2076	0.0	12.5	0.0	12.5	779.2	-31.1
2077	0.0	11.0	0.0	11.0	791.2	-33.3
2078	0.0	9.6	0.0	9.6	805.1	-35.4
2079	0.0	8.3	0.0	8.3	820.6	-37.5
2080	0.0	7.2	0.0	7.2	837.9	-39.6

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0  
 Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7  
 BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

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**Table 2c OASDI Cash Flow to General Fund of the Treasury--- Proposal vs. Theoretical OASDI**

IA Investment Only in Treasury Bond Fund	Proposal				Theoretical Social Security with PAYGO Transfers					
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year <sup>1</sup>				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year <sup>1</sup>					
	Year	Percent of Payroll	Billions of Dollars			Year	Percent of Payroll	Billions of Dollars		
			Current \$	1/1/2005 PV	Const 2005 \$			Current \$	1/1/2005 PV	Const 2005 \$
2005	1.5	70	68	70	1.5	70	68	70		
2006	1.8	88	81	86	1.8	88	81	86		
2007	1.8	94	82	89	1.8	94	82	89		
2008	1.8	98	82	91	1.8	98	82	91		
2009	1.6	94	74	85	1.6	94	74	85		
2010	1.5	92	69	81	1.5	92	69	81		
2011	1.4	90	64	77	1.4	90	64	77		
2012	1.2	80	54	66	1.2	80	54	66		
2013	1.0	68	43	55	1.0	67	43	54		
2014	0.7	52	32	41	0.7	50	30	40		
2015	0.5	36	21	28	0.4	33	19	25		
2016	0.2	17	9	13	0.2	12	7	9		
2017	-0.1	-4	-2	-3	-0.1	-11	-5	-8		
2018	-0.3	-28	-14	-20	-0.4	-36	-17	-25		
2019	-0.6	-54	-25	-37	-0.7	-64	-29	-44		
2020	-0.9	-83	-36	-55	-1.0	-95	-41	-63		
2021	-1.2	-114	-47	-74	-1.3	-128	-52	-83		
2022	-1.4	-147	-57	-93	-1.6	-163	-63	-103		
2023	-1.7	-181	-66	-111	-1.9	-200	-73	-123		
2024	-2.0	-218	-75	-130	-2.2	-239	-82	-143		
2025	-2.2	-257	-84	-149	-2.4	-281	-91	-163		
2026	-2.5	-299	-92	-169	-2.7	-325	-100	-184		
2027	-2.7	-340	-99	-187	-3.0	-370	-107	-203		
2028	-2.9	-381	-105	-204	-3.2	-415	-114	-222		
2029	-3.1	-422	-109	-219	-3.4	-459	-119	-239		
2030	-3.3	-463	-113	-234	-3.6	-504	-123	-255		
2031	-3.4	-505	-117	-248	-3.7	-550	-127	-270		
2032	-3.6	-547	-119	-261	-3.9	-595	-130	-285		
2033	-3.7	-586	-121	-273	-4.0	-639	-132	-297		
2034	-3.7	-623	-121	-282	-4.1	-681	-132	-308		
2035	-3.8	-659	-121	-290	-4.1	-722	-132	-318		
2036	-3.8	-695	-120	-298	-4.2	-762	-132	-326		
2037	-3.9	-729	-119	-304	-4.2	-802	-131	-334		
2038	-3.9	-762	-118	-309	-4.3	-840	-130	-341		
2039	-3.9	-794	-116	-313	-4.3	-877	-128	-346		
2040	-3.8	-826	-114	-317	-4.3	-916	-126	-351		
2041	-3.8	-860	-112	-321	-4.3	-955	-124	-356		
2042	-3.8	-895	-110	-325	-4.3	-997	-123	-362		
2043	-3.8	-932	-108	-329	-4.3	-1,040	-121	-367		
2044	-3.8	-969	-106	-333	-4.3	-1,085	-119	-373		
2045	-3.8	-1,010	-105	-337	-4.3	-1,133	-117	-378		
2046	-3.8	-1,053	-103	-342	-4.3	-1,183	-116	-385		
2047	-3.8	-1,100	-102	-348	-4.3	-1,237	-114	-391		
2048	-3.8	-1,149	-100	-353	-4.3	-1,293	-113	-398		
2049	-3.9	-1,202	-99	-359	-4.4	-1,353	-112	-405		
2050	-3.9	-1,258	-98	-366	-4.4	-1,417	-110	-412		
2051	-3.9	-1,317	-97	-373	-4.4	-1,486	-109	-421		
2052	-3.9	-1,382	-96	-380	-4.4	-1,560	-108	-430		
2053	-4.0	-1,453	-95	-389	-4.5	-1,639	-108	-439		
2054	-4.0	-1,534	-95	-400	-4.5	-1,722	-107	-449		
2055	-4.1	-1,622	-95	-411	-4.6	-1,810	-106	-459		
2056	-4.2	-1,717	-95	-423	-4.6	-1,905	-105	-470		
2057	-4.2	-1,817	-95	-436	-4.7	-2,005	-105	-481		
2058	-4.3	-1,923	-95	-449	-4.7	-2,110	-104	-492		
2059	-4.4	-2,035	-95	-462	-4.8	-2,220	-103	-504		
2060	-4.4	-2,152	-95	-475	-4.8	-2,335	-103	-516		
2061	-4.5	-2,276	-95	-489	-4.9	-2,457	-102	-528		
2062	-4.6	-2,409	-94	-503	-4.9	-2,587	-101	-541		
2063	-4.6	-2,551	-94	-518	-5.0	-2,726	-101	-554		
2064	-4.7	-2,701	-94	-534	-5.0	-2,872	-100	-568		
2065	-4.8	-2,856	-94	-549	-5.1	-3,023	-100	-581		
2066	-4.9	-3,021	-94	-565	-5.1	-3,182	-99	-595		
2067	-4.9	-3,194	-94	-581	-5.2	-3,350	-99	-610		
2068	-5.0	-3,374	-94	-597	-5.2	-3,523	-98	-624		
2069	-5.1	-3,560	-94	-613	-5.3	-3,704	-97	-638		
2070	-5.1	-3,754	-93	-629	-5.3	-3,890	-97	-652		
2071	-5.2	-3,955	-93	-644	-5.4	-4,084	-96	-665		
2072	-5.3	-4,166	-92	-660	-5.4	-4,287	-95	-680		
2073	-5.3	-4,385	-92	-676	-5.5	-4,498	-94	-694		
2074	-5.4	-4,614	-91	-692	-5.5	-4,719	-93	-708		
2075	-5.4	-4,854	-91	-708	-5.5	-4,951	-92	-722		
2076	-5.5	-5,105	-90	-725	-5.6	-5,194	-91	-737		
2077	-5.5	-5,369	-89	-741	-5.6	-5,448	-91	-752		
2078	-5.6	-5,644	-89	-758	-5.7	-5,715	-90	-768		
2079	-5.7	-5,932	-88	-775	-5.7	-5,996	-89	-783		
2080	-5.7	-6,233	-87	-792	-5.8	-6,290	-88	-799		
Total 2005-79			-5,180				-5,699			

<sup>1</sup> Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers specified in the proposal or in the theoretical plan (PAYGO Transfers).

**Table 2d Change in Long-Range Trust Fund Assets / Unfunded Obligation**

Year	Average Individual Account Contribution Rate: 1.39% Benefit Offset: 100.0%				
	Present Law OASDI				Proposal OASDI
	Trust Fund Assets	Basic	Offset to		Trust Fund Assets/
	or if Negative,	Changes	OASDI	Total Change	Unfunded Obligation
Unfunded Obligation	in OASDI	Benefit	Through EOY <sup>1</sup>	Through EOY	
Through EOY	Cash Flow	from IA	(4)	(5) = (1) + (4)	
(1)	(2)	(3)			
	<i>(Billions of \$, Present Value on 1-1-2005)</i>				
2006	1,835.2	0.0	0.0	0.0	1,835.2
2007	1,917.1	0.0	0.0	0.0	1,917.1
2008	1,998.4	0.0	0.0	0.0	1,998.4
2009	2,072.5	0.0	0.0	0.0	2,072.5
2010	2,141.5	0.0	0.0	0.0	2,141.5
2011	2,204.9	0.0	0.0	0.0	2,204.9
2012	2,258.4	0.0	0.0	0.0	2,258.5
2013	2,300.8	0.0	0.6	0.7	2,301.4
2014	2,331.0	0.0	1.3	1.9	2,332.9
2015	2,349.7	0.0	1.9	3.9	2,353.6
2016	2,356.4	0.0	2.6	6.4	2,362.8
2017	2,350.7	0.0	3.2	9.7	2,360.4
2018	2,333.1	0.0	3.9	13.5	2,346.7
2019	2,303.8	0.0	4.5	18.0	2,321.9
2020	2,262.7	0.0	5.1	23.1	2,285.8
2021	2,210.4	0.0	5.7	28.8	2,239.2
2022	2,147.5	0.0	6.2	35.0	2,182.5
2023	2,074.6	0.0	6.8	41.7	2,116.3
2024	1,992.1	0.0	7.3	49.0	2,041.1
2025	1,900.6	0.0	7.8	56.8	1,957.3
2026	1,800.6	0.0	8.2	65.0	1,865.6
2027	1,693.2	0.0	8.7	73.7	1,766.9
2028	1,579.5	0.0	9.1	82.9	1,662.4
2029	1,460.7	0.0	9.5	92.4	1,553.1
2030	1,337.6	0.0	9.9	102.3	1,439.9
2031	1,210.7	0.0	10.3	112.6	1,323.3
2032	1,080.9	0.0	10.6	123.3	1,204.2
2033	949.4	0.0	10.9	134.2	1,083.5
2034	817.0	0.0	11.2	145.4	962.4
2035	684.5	0.0	11.5	156.9	841.4
2036	552.4	0.0	11.7	168.6	720.9
2037	421.0	0.0	11.9	180.5	601.5
2038	291.1	0.0	12.1	192.6	483.7
2039	162.9	0.0	12.2	204.8	367.7
2040	36.6	0.0	12.4	217.2	253.8
2041	-87.9	0.0	12.5	229.7	141.8
2042	-210.7	0.0	12.6	242.3	31.6
2043	-331.6	0.0	12.6	254.9	-76.6
2044	-450.7	0.0	12.7	267.6	-183.0
2045	-568.1	0.0	12.7	280.4	-287.7
2046	-684.0	0.0	12.8	293.1	-390.8
2047	-798.4	0.0	12.7	305.8	-492.6
2048	-911.3	0.0	12.6	318.4	-592.9
2049	-1,022.9	0.0	12.5	330.8	-692.0
2050	-1,133.2	0.0	12.4	343.2	-790.0
2051	-1,242.5	0.0	12.4	355.7	-886.8
2052	-1,350.9	0.0	12.4	368.1	-982.8
2053	-1,458.4	0.0	12.2	380.2	-1,078.1
2054	-1,565.1	0.0	11.6	391.9	-1,173.2
2055	-1,671.0	0.0	11.0	402.9	-1,268.1
2056	-1,776.3	0.0	10.4	413.3	-1,363.0
2057	-1,881.0	0.0	9.8	423.1	-1,457.9
2058	-1,985.0	0.0	9.2	432.3	-1,552.7
2059	-2,088.4	0.0	8.6	440.9	-1,647.4
2060	-2,191.0	0.0	8.1	449.0	-1,742.0
2061	-2,293.1	0.0	7.5	456.5	-1,836.6
2062	-2,394.6	0.0	7.0	463.5	-1,931.1
2063	-2,495.5	0.0	6.5	470.0	-2,025.5
2064	-2,596.0	0.0	6.0	476.0	-2,120.0
2065	-2,695.9	0.0	5.5	481.5	-2,214.4
2066	-2,795.2	0.0	5.0	486.5	-2,308.7
2067	-2,893.9	0.0	4.6	491.1	-2,402.8
2068	-2,991.9	0.0	4.2	495.3	-2,496.7
2069	-3,089.3	0.0	3.8	499.0	-2,590.2
2070	-3,185.8	0.0	3.4	502.4	-2,683.4
2071	-3,281.6	0.0	3.0	505.4	-2,776.1
2072	-3,376.5	0.0	2.7	508.1	-2,868.4
2073	-3,470.6	0.0	2.4	510.5	-2,960.1
2074	-3,563.7	0.0	2.1	512.6	-3,051.2
2075	-3,656.1	0.0	1.8	514.4	-3,141.7
2076	-3,747.6	0.0	1.6	515.9	-3,231.7
2077	-3,838.2	0.0	1.3	517.2	-3,321.0
2078	-3,928.0	0.0	1.1	518.4	-3,409.6
2079	-4,017.0	0.0	0.9	519.3	-3,497.7
Total 2005-2079		0.0	519.3		

Based on the Intermediate Assumptions of the 2005 Trustees Report.

With Ultimate Real Trust Fund Interest Rate of 3.0

Benefit Offset Yield Rate = TreasBondYield - 0.3 = 2.7

BenefitOffsetDiscount Rate = TreasBondYield - 0.3 = 2.7

Office of the Actuary  
Social Security Administration  
July 14, 2005

<sup>1</sup>Total change through the year is the accumulation of changes in columns 2 and 3.

**Table A1. Social Security Monthly Retirement Benefit for Hypothetical Workers  
Retire at 65 Low, Medium, and High are Scaled Earners Starting at Age 21 1/**

**OASDI Monthly Scheduled Benefit at Age 65 Under Present Law**

**Single Retired Worker Beneficiary**

Year Attain Age 65	Primary Insurance Amount (PIA)			
	Low Ernr	Med Ernr	High Ernr	Max Ernr
	<i>(constant 2005 dollars)</i>			
2016	857	1,412	1,872	2,269
2026	952	1,568	2,079	2,540
2036	1,057	1,742	2,310	2,826
2046	1,180	1,943	2,577	3,148
2056	1,315	2,166	2,872	3,505

**Monthly Benefit Amount (with actuarial reduction)**

	Low Ernr	Med Ernr	High Ernr	Max Ernr
	<i>(constant 2005 dollars)</i>			
2016	799	1,318	1,747	2,118
2026	825	1,359	1,802	2,201
2036	916	1,510	2,002	2,449
2046	1,022	1,684	2,233	2,728
2056	1,139	1,877	2,489	3,037

**Married Retired Worker and NonWorking Spouse**

Year Attain Age 65	Primary Insurance Amount (PIA)			
	Low Ernr	Med Ernr	High Ernr	Max Ernr
	<i>(constant 2005 dollars)</i>			
2016	857	1,412	1,872	2,269
2026	952	1,568	2,079	2,540
2036	1,057	1,742	2,310	2,826
2046	1,180	1,943	2,577	3,148
2056	1,315	2,166	2,872	3,505

**Monthly Benefit Amount (with actuarial reduction or DRC)**

	Low Ernr	Med Ernr	High Ernr	Max Ernr
	<i>(constant 2005 dollars)</i>			
2016	1,192	1,965	2,605	3,158
2026	1,222	2,012	2,669	3,259
2036	1,357	2,236	2,965	3,627
2046	1,514	2,494	3,307	4,039
2056	1,687	2,780	3,686	4,498

1/ The Max Earner is always assumed to be a steady Max earner starting at age 22.

Table B1a. Projected IA Assets and Potential Life Annuity as Percent of Present Law Scheduled Benefits  
**McCrery GROW Plan** Finance IAs from General Revenue in Amount of OASDI Cash-Flow Surplus 2006-16

Year Attain Age 65	Accumulated IA at 65 Retire Amount for Each Earner Constant 2005\$		Value of CPI-Indexed Life Annuity as Percent of PL Scheduled Benefit <i>Investment in Treasury Bond Index Fund Only</i>					Value of CPI-Indexed Life Annuity as Percent of PL Scheduled Benefit <i>Investment in Mixed Portfolio 1/</i>				
	IA Investment in--		<b>Scaled Low Earner</b>					<b>Scaled Low Earner</b>				
	TreasBnd Fund Only	Mixed Portfolio 1/	Single Earner	2-Earner Couple 2/ Married Widowed		1-Earner Couple 3/ Married Widowed		Single Earner	2-Earner Couple 2/ Married Widowed		1-Earner Couple 3/ Married Widowed	
	<b>Scaled Low Earner</b>		<b>Scaled Low Earner</b>					<b>Scaled Low Earner</b>				
2016	2,712	2,968	2.0	1.8	2.4	1.2	1.2	2.2	2.0	2.7	1.3	1.3
2026	4,402	5,739	3.0	2.8	3.8	1.9	1.9	4.0	3.7	4.9	2.5	2.5
2036	5,377	8,383	3.3	3.0	4.1	2.1	2.1	5.1	4.7	6.3	3.2	3.2
2046	5,508	10,247	2.9	2.7	3.7	1.8	1.8	5.5	5.1	6.8	3.4	3.4
2056	937	1,958	0.4	0.4	0.5	0.3	0.3	0.9	0.9	1.1	0.6	0.6
	<b>Scaled Medium Earner</b>		<b>Scaled Medium Earner</b>					<b>Scaled Medium Earner</b>				
2016	6,027	6,596	2.7	2.5	3.3	1.7	1.7	2.9	2.7	3.6	1.8	1.8
2026	9,783	12,754	4.1	3.8	5.1	2.6	2.6	5.3	5.0	6.6	3.4	3.4
2036	11,948	18,628	4.4	4.1	5.5	2.8	2.8	6.9	6.4	8.5	4.3	4.3
2046	12,239	22,772	4.0	3.7	4.9	2.5	2.5	7.4	6.9	9.2	4.6	4.6
2056	2,083	4,351	0.6	0.6	0.7	0.4	0.4	1.2	1.2	1.5	0.8	0.8
	<b>Scaled High Earner</b>		<b>Scaled High Earner</b>					<b>Scaled High Earner</b>				
2016	9,643	10,554	3.2	3.0	4.0	2.0	2.0	3.5	3.3	4.4	2.2	2.2
2026	15,653	20,406	4.9	4.6	6.1	3.1	3.1	6.4	6.0	8.0	4.0	4.0
2036	19,117	29,806	5.3	4.9	6.6	3.3	3.3	8.3	7.7	10.3	5.2	5.2
2046	19,583	36,435	4.8	4.5	5.9	3.0	3.0	8.9	8.3	11.1	5.6	5.6
2056	3,332	6,961	0.7	0.7	0.9	0.5	0.5	1.5	1.4	1.9	0.9	0.9
	<b>Steady Maximum Earner</b>		<b>Steady Maximum Earner</b>					<b>Steady Maximum Earner</b>				
2016	16,322	17,768	4.5	4.2	5.6	2.8	2.8	4.9	4.5	6.1	3.0	3.0
2026	21,525	28,047	5.6	5.2	6.9	3.5	3.5	7.2	6.7	9.0	4.6	4.6
2036	28,096	43,870	6.4	5.9	7.9	4.0	4.0	9.9	9.3	12.4	6.3	6.3
2046	36,674	68,619	7.3	6.8	9.1	4.6	4.6	13.7	12.8	17.1	8.6	8.6
2056	7,533	15,620	1.3	1.2	1.7	0.8	0.8	2.7	2.6	3.4	1.7	1.7

1/ The mixed portfolio is assumed to be on average 50 percent in equity, 25 percent in corporate bond, and 25 percent in Treasury-bond index funds. Values reflect expected yield.

Ultimate administrative expense is assumed to be 0.3 percent of assets annually.

2/ The 2-earner couple is assumed to be the same age and to have the same career-average earnings. Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

3/ The 1-earner couple is assumed to be the same age and to have only one spouse with earnings. Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

All estimates based on the intermediate assumptions of the 2005 Trustees Report.

Table B1b. Projected Present Law PIA and Potential Life Annuity in Constant 2005 Dollars  
**McCrery GROW Plan** Finance IAs from General Revenue in Amount of OASDI Cash-Flow Surplus 2006-16

Year Attain Age 65	Present Law Scheduled Primary Insurance Amount (PIA) for Each Earner <i>constant 2005 dollars</i>	Value of CPI-Indexed Monthly Life Annuity Available Based on Total Individual Account Accumulation <b>Investment in Treasury Bond Index Fund Only</b>					Value of CPI-Indexed Monthly Life Annuity Available Based on Total Individual Account Accumulation <b>Investment in Mixed Portfolio 1/</b>				
		Single Earner	2-Earner Couple 2/ <i>constant 2005 dollars</i>		1-Earner Couple 3/ <i>constant 2005 dollars</i>		Single Earner	2-Earner Couple 2/ <i>constant 2005 dollars</i>		1-Earner Couple 3/ <i>constant 2005 dollars</i>	
			Married	Widowed	Married	Widowed		Married	Widowed	Married	Widowed
	<b>Scaled Low Earner</b>		<b>Scaled Low Earner</b>					<b>Scaled Low Earner</b>			
2016	857	15.8	29.4	19.6	14.7	9.8	17.3	32.1	21.4	16.1	10.7
2026	952	25.0	46.6	31.1	23.3	15.5	32.6	60.7	40.5	30.4	20.2
2036	1,057	29.9	55.7	37.2	27.9	18.6	46.6	86.9	57.9	43.4	29.0
2046	1,180	30.0	56.0	37.3	28.0	18.7	55.8	104.2	69.5	52.1	34.7
2056	1,315	5.0	9.4	6.2	4.7	3.1	10.5	19.6	13.0	9.8	6.5
	<b>Scaled Medium Earner</b>		<b>Scaled Medium Earner</b>					<b>Scaled Medium Earner</b>			
2016	1,412	35.1	65.2	43.5	32.6	21.7	38.4	71.4	47.6	35.7	23.8
2026	1,568	55.5	103.5	69.0	51.8	34.5	72.4	135.0	90.0	67.5	45.0
2036	1,742	66.4	123.8	82.6	61.9	41.3	103.5	193.1	128.7	96.5	64.4
2046	1,943	66.6	124.5	83.0	62.2	41.5	123.9	231.6	154.4	115.8	77.2
2056	2,166	11.1	20.8	13.9	10.4	6.9	23.2	43.5	29.0	21.7	14.5
	<b>Scaled High Earner</b>		<b>Scaled High Earner</b>					<b>Scaled High Earner</b>			
2016	1,872	56.1	104.4	69.6	52.2	34.8	61.4	114.3	76.2	57.1	38.1
2026	2,079	88.9	165.6	110.4	82.8	55.2	115.9	215.9	144.0	108.0	72.0
2036	2,310	106.2	198.2	132.1	99.1	66.1	165.6	309.0	206.0	154.5	103.0
2046	2,577	106.6	199.2	132.8	99.6	66.4	198.3	370.6	247.0	185.3	123.5
2056	2,872	17.8	33.3	22.2	16.7	11.1	37.2	69.6	46.4	34.8	23.2
	<b>Steady Maximum Earner</b>		<b>Steady Maximum Earner</b>					<b>Steady Maximum Earner</b>			
2016	2,269	94.9	176.7	117.8	88.3	58.9	103.4	192.3	128.2	96.2	64.1
2026	2,540	122.2	227.8	151.9	113.9	75.9	159.3	296.8	197.9	148.4	98.9
2036	2,826	156.1	291.2	194.2	145.6	97.1	243.7	454.7	303.2	227.4	151.6
2046	3,148	199.6	373.0	248.7	186.5	124.3	373.5	697.9	465.3	348.9	232.6
2056	3,505	40.2	75.3	50.2	37.6	25.1	83.4	156.1	104.1	78.1	52.0

1/ The mixed portfolio is assumed to be on average 50 percent in equity, 25 percent in corporate bond, and 25 percent in Treasury-bond index funds. Values reflect expected yield.

Ultimate administrative expense is assumed to be 0.3 percent of assets annually.

2/ The 2-earner couple is assumed to be the same age and to have the same career-average earnings. Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

3/ The 1-earner couple is assumed to be the same age and to have only one spouse with earnings. Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

All estimates based on the intermediate assumptions of the 2005 Trustees Report.

Table B1c. Proposal Benefit and Potential IA Life Annuity as Percent of Present Law Scheduled Benefits  
**McCrery GROW Plan**

Year Attain Age 65	Proposal Basic Benefit* for Retired Worker as Percent of Present Law Scheduled Benefit	Proposal Basic Benefit Plus Full IA Life Annuity with Benefit Offset for IA Participation --- as Percent of Present Law Scheduled Benefit					Proposal Basic Benefit Plus Full IA Life Annuity with Benefit Offset for IA Participation --- as Percent of Present Law Scheduled Benefit				
		<i>Investment in Treasury Bond Index Fund Only</i>					<i>Investment in Mixed Portfolio 1/</i>				
		<b>Scaled Low Earner</b>					<b>Scaled Low Earner</b>				
		Single Earner	2-Earner Couple 2/		1-Earner Couple 3/		Single Earner	2-Earner Couple 2/		1-Earner Couple 3/	
			Married	Widowed	Married	Widowed		Married	Widowed	Married	Widowed
2016	100.0	100.0	100.0	100.0	100.0	100.0	100.2	100.2	100.2	100.1	100.1
2026	100.0	100.0	100.0	100.0	100.0	100.0	100.9	100.9	101.1	100.6	100.6
2036	100.0	100.0	100.0	100.0	100.0	100.0	101.8	101.7	102.3	101.1	101.1
2046	100.0	100.0	100.0	100.0	100.0	100.0	102.5	102.4	103.1	101.6	101.6
2056	100.0	100.0	100.0	100.0	100.0	100.0	100.5	100.4	100.6	100.3	100.3
2075	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		<b>Scaled Medium Earner</b>					<b>Scaled Medium Earner</b>				
2016	100.0	100.0	100.0	100.0	100.0	100.0	100.3	100.2	100.3	100.2	100.2
2026	100.0	100.0	100.0	100.0	100.0	100.0	101.2	101.2	101.5	100.8	100.8
2036	100.0	100.0	100.0	100.0	100.0	100.0	102.5	102.3	103.1	101.5	101.5
2046	100.0	100.0	100.0	100.0	100.0	100.0	103.4	103.2	104.2	102.1	102.1
2056	100.0	100.0	100.0	100.0	100.0	100.0	100.6	100.6	100.8	100.4	100.4
2075	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		<b>Scaled High Earner</b>					<b>Scaled High Earner</b>				
2016	100.0	100.0	100.0	100.0	100.0	100.0	100.3	100.3	100.4	100.2	100.2
2026	100.0	100.0	100.0	100.0	100.0	100.0	101.5	101.4	101.9	100.9	100.9
2036	100.0	100.0	100.0	100.0	100.0	100.0	103.0	102.8	103.7	101.9	101.9
2046	100.0	100.0	100.0	100.0	100.0	100.0	104.1	103.8	105.1	102.6	102.6
2056	100.0	100.0	100.0	100.0	100.0	100.0	100.8	100.7	101.0	100.5	100.5
2075	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
		<b>Steady Maximum Earner</b>					<b>Steady Maximum Earner</b>				
2016	100.0	100.0	100.0	100.0	100.0	100.0	100.4	100.4	100.5	100.2	100.2
2026	100.0	100.0	100.0	100.0	100.0	100.0	101.7	101.6	102.1	101.1	101.1
2036	100.0	100.0	100.0	100.0	100.0	100.0	103.6	103.3	104.5	102.3	102.3
2046	100.0	100.0	100.0	100.0	100.0	100.0	106.4	106.0	107.9	104.0	104.0
2056	100.0	100.0	100.0	100.0	100.0	100.0	101.4	101.3	101.8	100.9	100.9
2075	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

\* Proposal Basic Benefit equals the OASI benefit under the proposal without consideration of the individual account.

1/ The mixed portfolio is assumed to be on average 50 percent in equity, 25 percent in corporate bond, and 25 percent in Treasury-bond index funds. Values reflect expected yield.

Ultimate administrative expense is assumed to be 0.3 percent of assets annually.

2/ The 2-earner couple is assumed to be the same age and to have the same career-average earnings.

Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

3/ The 1-earner couple is assumed to be the same age and to have only one spouse with earnings.

Annuities are expressed as a percentage of the benefits scheduled for the couple or survivor.

All estimates based on the intermediate assumptions of the 2005 Trustees Report.

Office of the Actuary  
 Social Security Administration  
 July 14, 2005