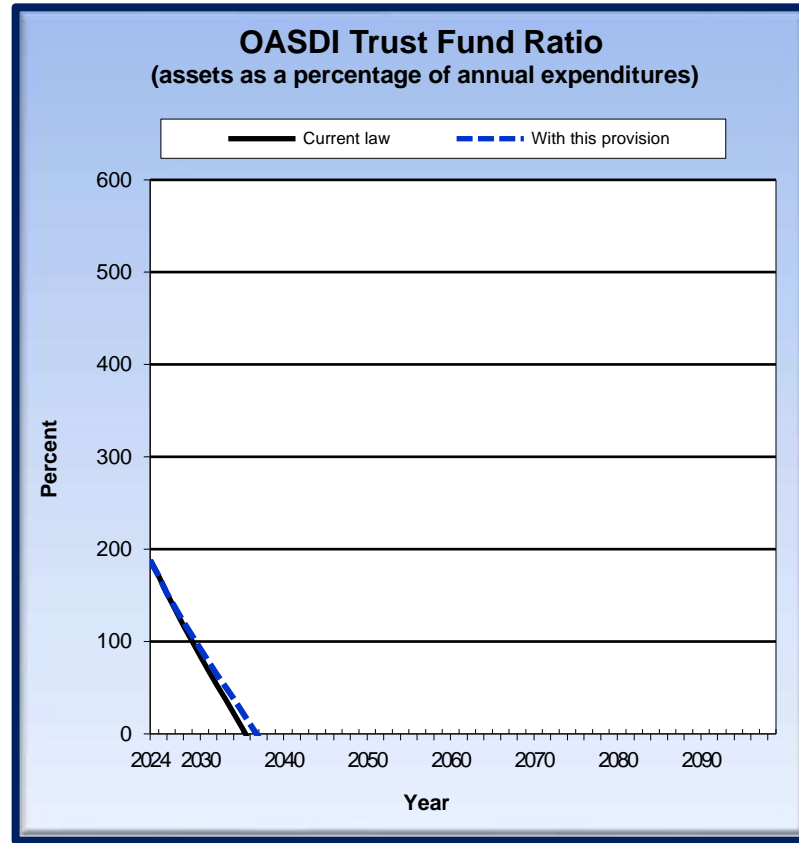
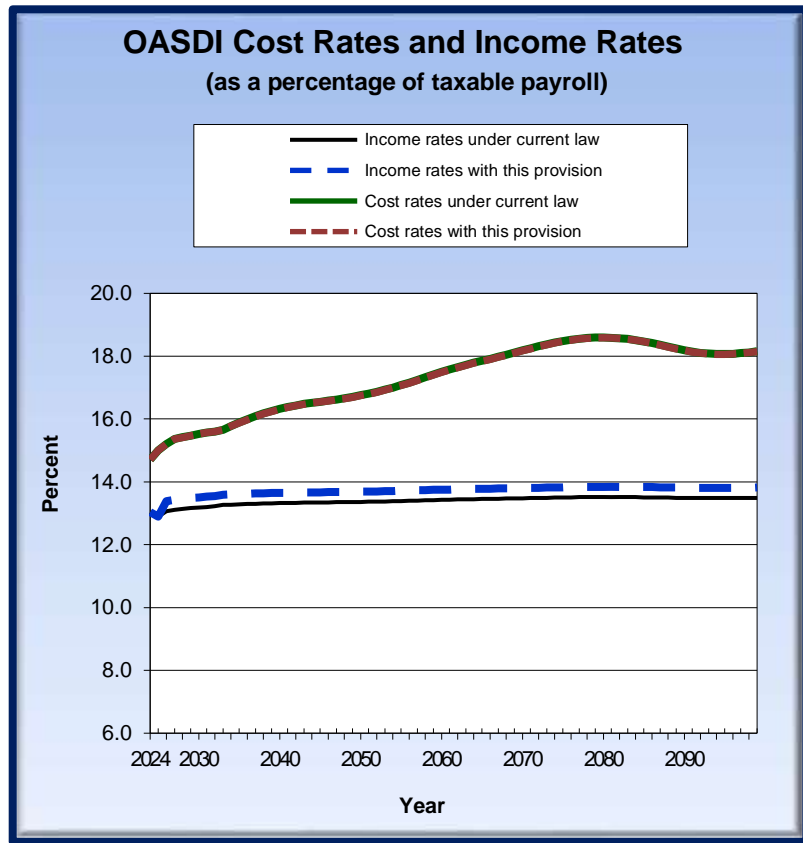


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: E3.16. Beginning in 2026, apply 4 percent payroll tax rate on earnings above the wage-indexed equivalent of \$400,000 in 2015 (about \$612,900 in 2026), with the threshold wage-indexed after 2026. Provide benefit credit for additional earnings taxed, using a secondary PIA formula. This secondary PIA formula involves: (1) an "AIME+" derived from annual earnings taxed only between 2015 wage-indexed equivalents of \$400,000 and \$500,000, or about \$612,900 and \$766,200 in 2026 (with thresholds wage-indexed after 2026); and (2) a formula factor of 2 percent on this newly computed "AIME+".

Current law [percent of payroll]		Change from current 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
-3.50	-4.64	0.32	0.33	9%	7%



Estimates based on the intermediate assumptions of the 2024 Trustees Report

Office of the Chief Actuary
Social Security Administration
September 20, 2024