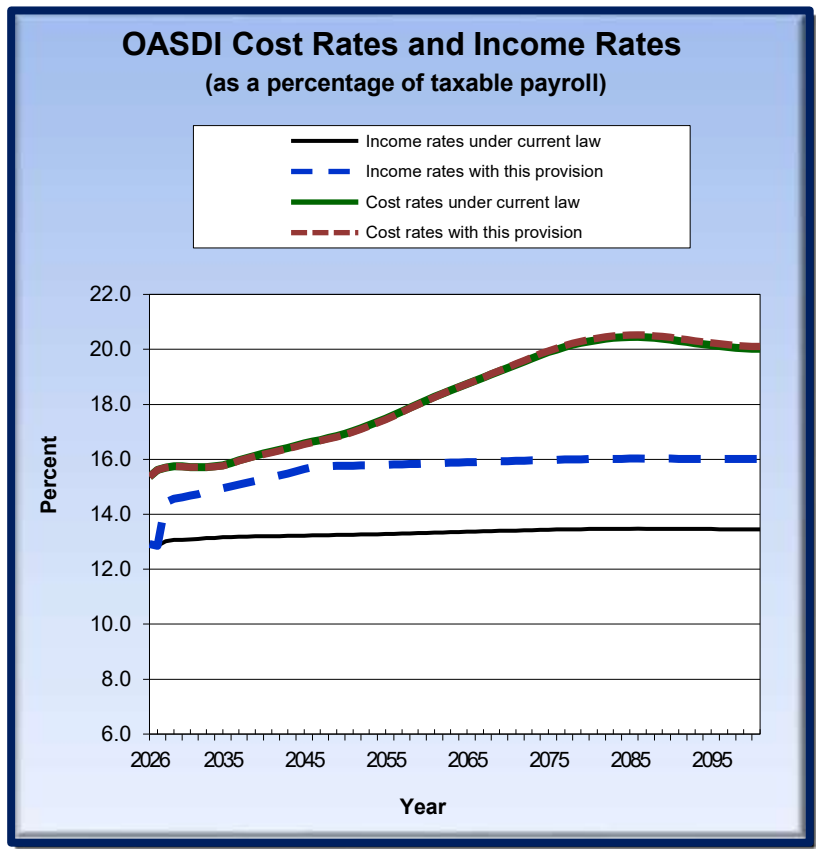
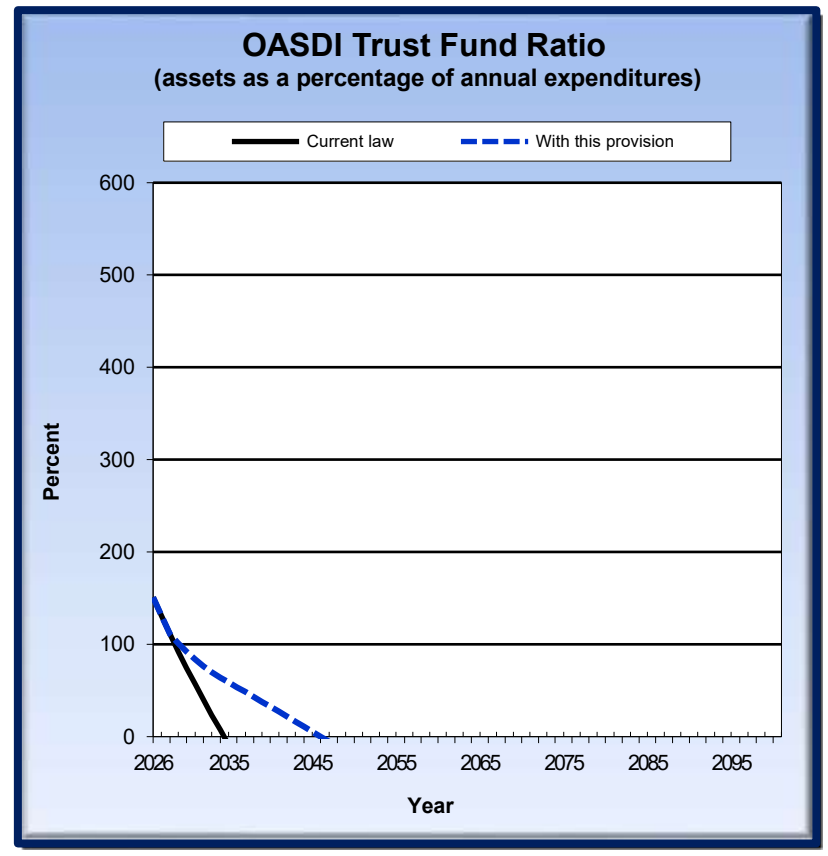
Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: E2.13. Apply OASDI 12.4 percent payroll tax rate on earnings above $400,000 starting in 2028, and tax all earnings once the current-law taxable maximum exceeds $400,000. 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 2027 that were in excess of that year's current-law taxable maximum; 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
-4.42	-6.57	2.25	2.47	51%	38%





Estimates based on the intermediate assumptions of the 2026 Trustees Report

Actuarial Services
Social Security Administration
September 21, 2026