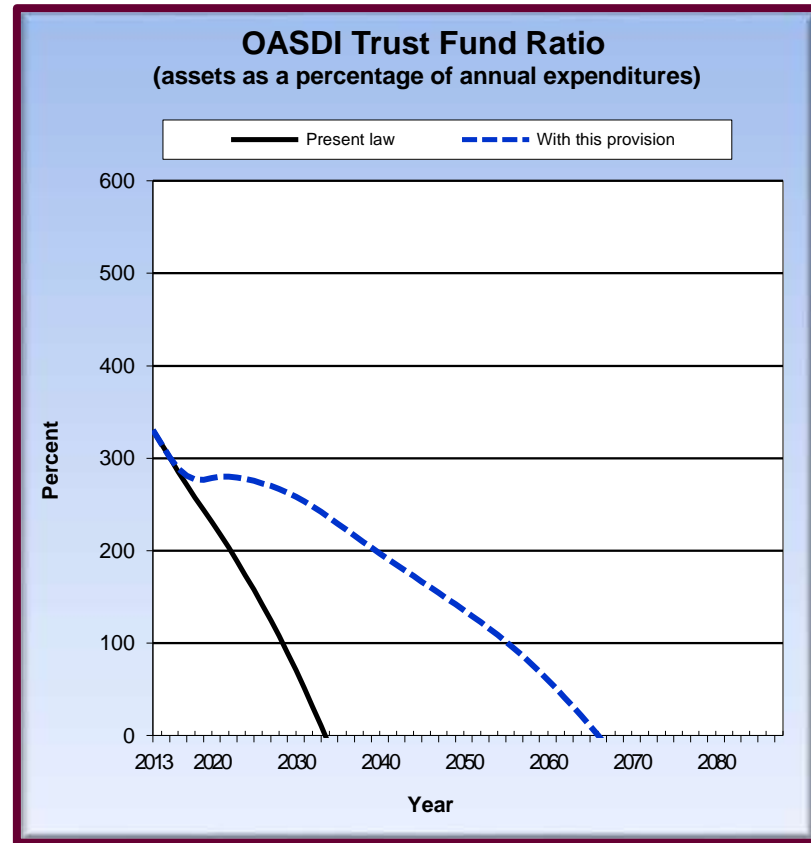
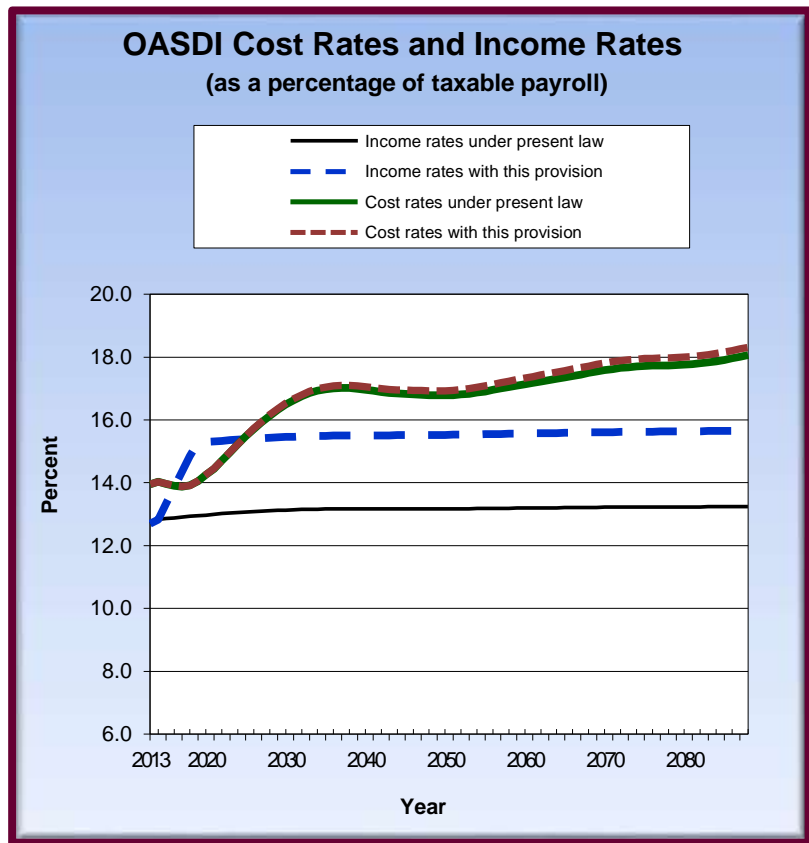


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Eliminate the taxable maximum in years 2019 and later. Phase in elimination by taxing all earnings above the current law taxable maximum at: 2.48 percent in 2015, 4.96 percent in 2016, and so on, up to 12.40 percent in 2019. 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 5 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%	2.09%	2.17%	-0.63%	-2.60%



Estimates based on the intermediate assumptions of the 2013 Trustees Report

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