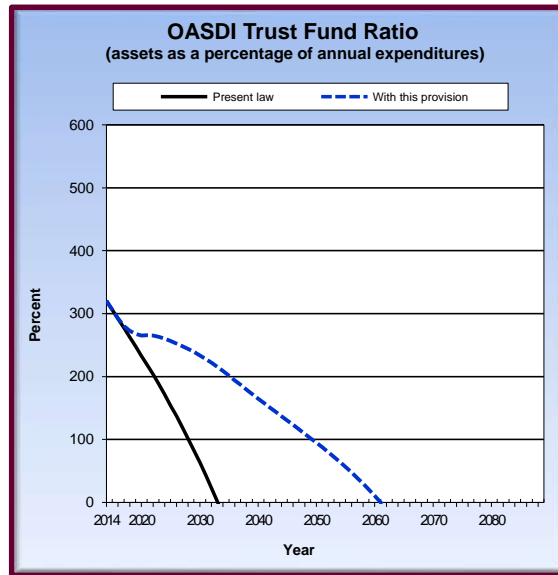
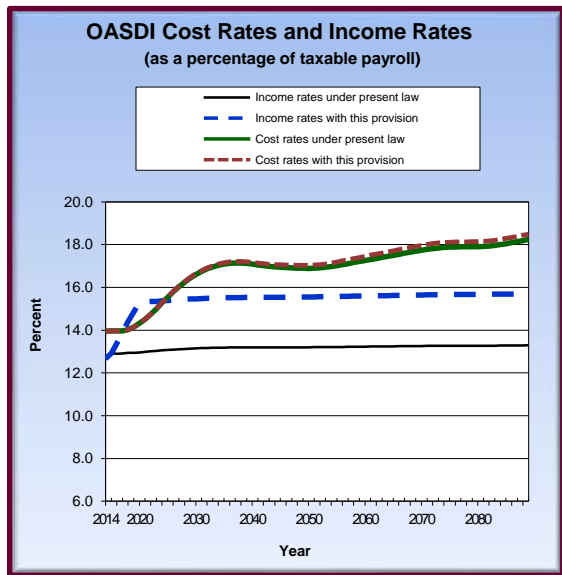


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Eliminate the taxable maximum in years 2020 and later. Phase in elimination by taxing all earnings above the current-law taxable maximum at: 2.48 percent in 2016, 4.96 percent in 2017, and so on, up to 12.40 percent in 2020. 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 2014 that were in excess of that year's current-law taxable maximum; and (2) a formula factor of 5 percent on this newly computed "AIME+."

Present Law [percent of payroll]		Change From Present 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
-2.88	-4.90	2.09	2.16	72%	44%



Estimates based on the intermediate assumptions of the 2014 Trustees Report

Office of the Chief Actuary, Social Security
September 18, 2014