

Detailed Single Year Tables

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: E3.16. Beginning in 2021, apply 4 percent payroll tax rate on earnings above the wage-indexed equivalent of \$400,000 in 2015 (about \$480,000 in 2021), with the threshold wage-indexed after 2021. 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 \$480,000 and \$600,000 in 2021 (with thresholds wage-indexed after 2021); and (2) a formula factor of 2 percent on this newly computed "AIME+".

| Proposal | | | | | Change from Current Law | | | | |
|--|-----------|-------------|----------------|------------|--|-------------|----------------|-------|--|
| Expressed as a percentage of current-law taxable payroll | | | | | Expressed as a percentage of current-law taxable payroll | | | | |
| Year | Cost Rate | Income Rate | Annual Balance | Trust Fund | Cost Rate | Income Rate | Annual Balance | Ratio | |
| | | | | 1-1-year | | | | | |
| 2019 | 13.91 | 12.85 | -1.06 | 273 | 0.00 | 0.00 | 0.00 | | |
| 2020 | 13.94 | 12.87 | -1.07 | 260 | 0.00 | 0.00 | 0.00 | | |
| 2021 | 14.09 | 13.19 | -0.89 | 245 | 0.00 | 0.30 | 0.30 | | |
| 2022 | 14.23 | 13.23 | -1.00 | 231 | -0.00 | 0.31 | 0.31 | | |
| 2023 | 14.40 | 13.25 | -1.15 | 217 | -0.00 | 0.31 | 0.31 | | |
| 2024 | 14.59 | 13.28 | -1.31 | 203 | -0.00 | 0.31 | 0.31 | | |
| 2025 | 14.78 | 13.29 | -1.49 | 188 | -0.00 | 0.31 | 0.31 | | |
| 2026 | 14.99 | 13.42 | -1.57 | 173 | -0.00 | 0.31 | 0.31 | | |
| 2027 | 15.19 | 13.44 | -1.75 | 158 | -0.00 | 0.30 | 0.31 | | |
| 2028 | 15.43 | 13.48 | -1.95 | 143 | -0.00 | 0.30 | 0.30 | | |
| 2029 | 15.62 | 13.49 | -2.13 | 128 | -0.00 | 0.30 | 0.30 | | |
| 2030 | 15.80 | 13.51 | -2.30 | 113 | -0.00 | 0.30 | 0.31 | | |
| 2031 | 15.96 | 13.52 | -2.44 | 98 | -0.00 | 0.30 | 0.31 | | |
| 2032 | 16.11 | 13.53 | -2.58 | 83 | -0.00 | 0.30 | 0.31 | | |
| 2033 | 16.23 | 13.54 | -2.69 | 67 | -0.00 | 0.30 | 0.31 | | |
| 2034 | 16.32 | 13.55 | -2.77 | 52 | -0.00 | 0.30 | 0.31 | | |
| 2035 | 16.40 | 13.56 | -2.84 | 35 | -0.00 | 0.30 | 0.31 | | |
| 2036 | 16.46 | 13.56 | -2.90 | 19 | -0.00 | 0.30 | 0.31 | | |
| 2037 | 16.52 | 13.57 | -2.95 | 2 | -0.00 | 0.30 | 0.31 | | |
| 2038 | 16.56 | 13.57 | -2.99 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2039 | 16.60 | 13.58 | -3.02 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2040 | 16.61 | 13.58 | -3.03 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2041 | 16.61 | 13.58 | -3.03 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2042 | 16.59 | 13.58 | -3.01 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2043 | 16.55 | 13.58 | -2.97 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2044 | 16.52 | 13.58 | -2.94 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2045 | 16.48 | 13.58 | -2.91 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2046 | 16.45 | 13.58 | -2.87 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2047 | 16.42 | 13.58 | -2.84 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2048 | 16.40 | 13.58 | -2.82 | ---- | -0.00 | 0.31 | 0.31 | | |
| 2049 | 16.38 | 13.58 | -2.80 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2050 | 16.36 | 13.58 | -2.79 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2051 | 16.36 | 13.58 | -2.78 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2052 | 16.36 | 13.58 | -2.78 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2053 | 16.37 | 13.58 | -2.79 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2054 | 16.38 | 13.58 | -2.80 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2055 | 16.40 | 13.58 | -2.82 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2056 | 16.43 | 13.59 | -2.85 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2057 | 16.47 | 13.59 | -2.88 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2058 | 16.52 | 13.60 | -2.92 | ---- | -0.01 | 0.31 | 0.31 | | |
| 2059 | 16.57 | 13.60 | -2.97 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2060 | 16.62 | 13.60 | -3.02 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2061 | 16.67 | 13.61 | -3.06 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2062 | 16.73 | 13.61 | -3.11 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2063 | 16.78 | 13.62 | -3.16 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2064 | 16.83 | 13.62 | -3.21 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2065 | 16.89 | 13.62 | -3.26 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2066 | 16.94 | 13.63 | -3.32 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2067 | 17.00 | 13.63 | -3.37 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2068 | 17.06 | 13.64 | -3.43 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2069 | 17.12 | 13.64 | -3.48 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2070 | 17.18 | 13.65 | -3.54 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2071 | 17.24 | 13.65 | -3.59 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2072 | 17.29 | 13.65 | -3.64 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2073 | 17.34 | 13.66 | -3.68 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2074 | 17.38 | 13.66 | -3.72 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2075 | 17.42 | 13.67 | -3.75 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2076 | 17.45 | 13.67 | -3.78 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2077 | 17.47 | 13.67 | -3.80 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2078 | 17.47 | 13.67 | -3.80 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2079 | 17.47 | 13.67 | -3.80 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2080 | 17.45 | 13.67 | -3.78 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2081 | 17.43 | 13.67 | -3.76 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2082 | 17.41 | 13.67 | -3.74 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2083 | 17.39 | 13.67 | -3.72 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2084 | 17.37 | 13.67 | -3.70 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2085 | 17.34 | 13.67 | -3.68 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2086 | 17.33 | 13.66 | -3.66 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2087 | 17.32 | 13.66 | -3.65 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2088 | 17.32 | 13.66 | -3.65 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2089 | 17.33 | 13.66 | -3.66 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2090 | 17.35 | 13.67 | -3.68 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2091 | 17.38 | 13.67 | -3.71 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2092 | 17.42 | 13.67 | -3.75 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2093 | 17.46 | 13.67 | -3.79 | ---- | -0.01 | 0.31 | 0.32 | | |
| 2094 | 17.51 | 13.68 | -3.83 | ---- | -0.01 | 0.31 | 0.32 | | |

| Summarized Estimates: Proposal | | | | |
|--------------------------------|-----------|-------------|-------------------|--|
| Year | Cost Rate | Income Rate | Actuarial Balance | Year of reserve depletion ¹ |
| 2019 | | | | |
| -2093 | 16.59% | 14.11% | -2.48% | 2037 |

| Summarized Estimates: Change from Current Law | | |
|---|-------------|-------------------|
| Cost Rate | Income Rate | Actuarial Balance |
| -0.01% | 0.30% | 0.30% |

¹ Under current law, the year of Trust Fund reserve depletion is 2035.