

1999 Social Security/SSI/Medicare Information

Tax Rate*: Employee and employer each: 7.65% (6.20% - OASDI, 1.45% - HI)

Self-employed: 15.30% (12.40% - OASDI, 2.90% - HI)

*Social Security tax for employers and self-employed can be partially offset under income tax rules.

Maximum Taxable Earnings Base: OASDI - \$72,600; HI-- No limit

Maximum FICA/SECA Taxes:

Maximum FICA/SECA Taxes	OASDI	HI
Employee/employer (each):	\$4,501.20	No limit
Self-employed:	\$9,002.40	No limit

OASDI Covered Workers (in millions):

Wages	Self-employed	Combined
141	15	150

Percent of workers who are covered: 96%

Estimated Worker/Beneficiary Ratio: 1999: 3.3 to 1 2032: 2.0 to 1

Earnings Required for a Quarter of Coverage: \$740; (\$2,960 for four)

Domestic Employment Coverage Threshold: \$1,100

Retirement Test Exempt Amounts:

-Age 65-69: \$15,500 annually, \$1,292 monthly (\$1 for \$3 withholding rate)

-Under age 65: \$9,600 annually, \$800 monthly (\$1 for \$2 withholding rate)

Supplementary Medical Insurance Premium: \$45.50

Substantial Gainful Activity: \$700/mo. non-blind, disabled (eff 7/1/99); \$1,110/mo. Blind

Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 1999)

Primary Insurance Amount (PIA)

90% of first \$505 of AIME, plus
32% of AIME over \$505 thru \$3,043, +
15% of AIME over \$3,043

OASI Maximum Family Benefit (MFB)

150% of first \$645 of PIA, plus
272% of PIA over \$645 thru \$931 +
134% of PIA over \$931 thru \$1,214, +
175% of PIA over \$1,214

(DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)

Average Monthly Benefits:

Average Monthly Benefits:	12/96	12/97	12/98
Retired worker:	\$745	765	\$780
Retired worker and aged spouse:	1,256	1,288	1,310
Disabled worker:	704	722	733
Disabled worker, spouse and children:	1,172	1,197	1,219
Aged widow(er):	707	731	749
Widowed mother/father and 2 children:	1,466	1,509	1,542

Benefits for Jan. 1999 Retirees:

	Age 62 PIA	Age 62 Benefit	Age 65 PIA	Age 65 Benefit
Low earner (45% of avg. wages):	\$ 622.10	\$ 497	\$ 576.90	\$ 576
Average earner:	1,024.70	819	952.70	952
Maximum earner:	1,479.60	1,183	1,373.10	1,373

Long-Range Constant Replacement Rate: Retirement at Age 67 in 2030 or later

Scaled low earner (45% of avg. wages): 56%;
 Scaled medium earner: 42%;
 Maximum earner: 28%

Taxation of Benefits – % of Benefits Taxed:

<u>% Taxed Income</u>	<u>Threshold</u>	<u>Filing Status</u>
up to 50%	\$25,000 - \$34,000	Individual
up to 50%	\$32,000 - \$44,000	Joint
up to 85%	\$34,000+	Individual
up to 85%	\$44,000+	Joint

Average Wage Level: 1997: \$27,426; 1998: \$28,315 (est.)

Age 72 Payments (December 1998):

	Transitionally Insured (Byrnes)	Special-Age 72 Payment (Prouty)
Individual:	205.70	205.70
Couple:	308.50	411.40

Minimum PIA: Generally eliminated for workers eligible after 1981.

Special Minimum PIA (12/98):

Approximately \$28.35 per year of coverage over 10 years; highest special minimum PIA = \$567.00 based on 30 years of coverage.

Minimum Earnings for Year of Coverage:

	1997	1998	1999
Special Minimum:	\$7,290	\$7,605	\$8,055
Windfall Elimination Provision:	\$12,150	\$12,675	\$13,425

Number of OASDI Beneficiaries (as of 12/98):

Total OASDI beneficiaries:	44.2 million
Retired workers and family members:	30.8 million
Retired workers:	27.5 million
Spouses:	2.9 million
Children:	0.4 million
Survivors of deceased workers:	7.1 million
Aged surviving spouses:	4.8 million
Disabled surviving spouses:	0.2 million
Surviving spouses w/ child-in-care:	0.2 million
Children:	1.9 million
DI beneficiaries:	6.3 million
Disabled workers:	4.7 million
Spouses:	0.2 million
Children:	1.4 million

Number of OASDI Children Beneficiaries (12/98):

Total:	3,768,928
Children under age 18:	2,962,704
Students aged 18-19:	93,452
Disabled Children:	712,772

Trust Funds' Operations (in billions):

Calendar Year	Fund	Income	Outgo	Fund at End of Year
1997	OASI	\$397	\$322	\$589
1997	DI	60	47	66
1998	OASI	\$420	\$332	\$677
1998	DI	64	51	80

OASDI Administrative Expenses (CY 1998):

OASDI Administrative Expenses (CY 1998):	OASI	DI	OASDI
Amount (in millions)	\$ 2,180	\$1,239	\$3,419
Percent of Benefit Payments	0.7%	2.5%	0.9%

SSI Payment Standard: \$500 individual, \$751 couple (effective 01/99)

Number of SSI Beneficiaries and Average Payments (11/98):

	Beneficiaries	Average Payments
Total:	6,603,126	\$359.49
Aged	1,340,304	\$276.40
Blind & Disabled	5,262,822	\$380.97
SSI Beneficiaries by Age:		
Under 18	894,764	\$446.94
Age 18-64	3,666,072	\$383.04
Age 65 and Over	2,042,290	\$281.37

SSI Expenditures FY 1998

Federal SSI payments	\$27.1 billion
Fed. Administered State Supplements	\$3.1 billion

Number of people receiving monthly benefits from SSA (10/98):

Total	48.4 million
-OASDI Benefits only	41.8 million
-SSI Benefits only	4.2 million
-OASDI and SSI Benefits Concurrently	2.4 million

Census Bureau Poverty Threshold:

	1995	1996	1997
Aged Individual:	\$7,309	\$7,525	\$7,698
Couple, aged head:	9,219	9,491	9,712
Family of four:	15,569	16,036	16,400

Social Security benefits keep 41% of today's aged beneficiaries out of poverty.

Key dates from 1998 OASDI Trustees Report:

- 2012 OASDI assets peak at 324 percent of expenditures.
- 2013 Expenditures exceed tax income for the first time since 1983.
- 2021 OASDI expenditures begin to exceed revenues from all sources, including interest earnings; Trust Fund reserves begin to be drawn down to help pay benefits.
- 2032 OASDI Trust Fund assets are exhausted. Then-current Social Security taxes would support about three fourths of the expected benefits.

Social Security Information: 1-800-SSA-1213

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