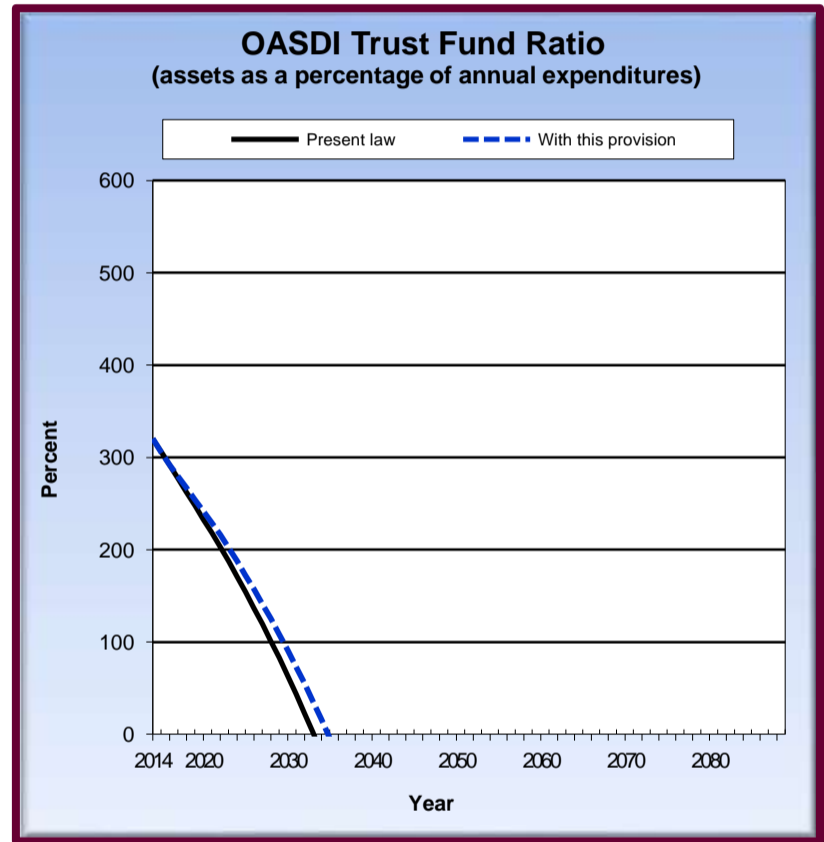
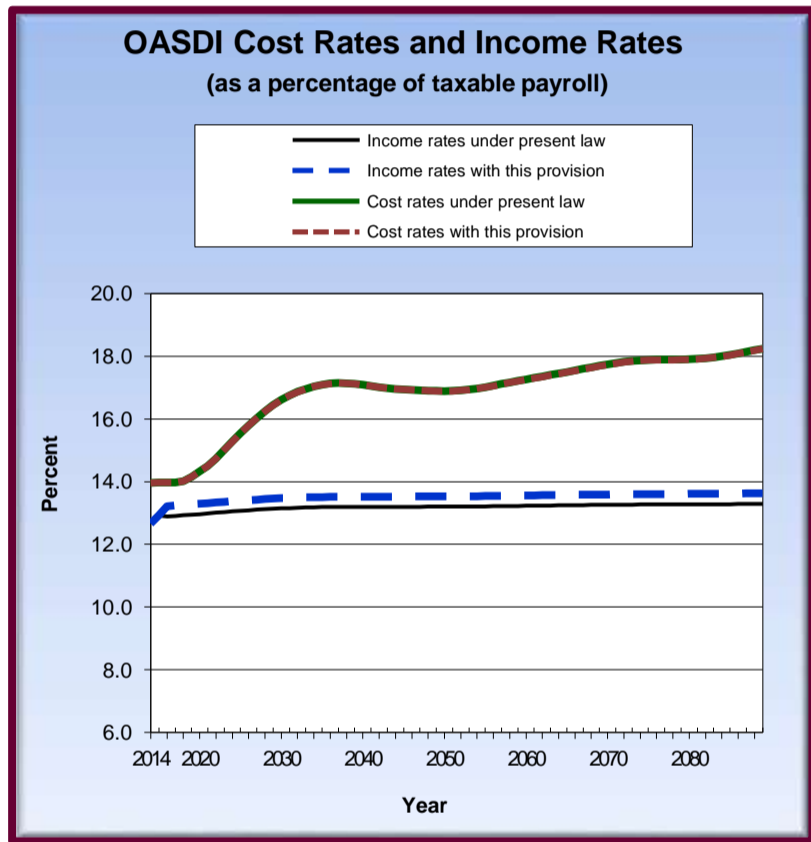


Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Beginning in 2016, apply 4 percent payroll tax rate on earnings above the wage-indexed equivalent of \$400,000 in 2015, with the threshold wage-indexed after 2016. 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; and (2) a formula factor of 2 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	0.32	0.35	11%	7%



Estimates based on the intermediate assumptions of the 2014 Trustees Report

Office of the Chief Actuary, Social Security
September 22, 2014

