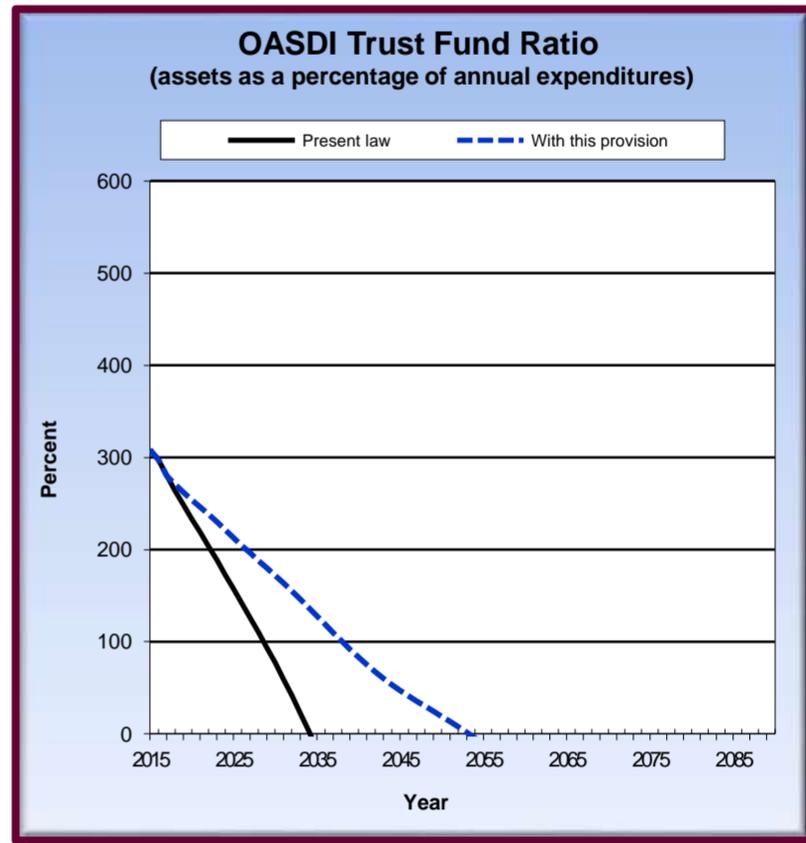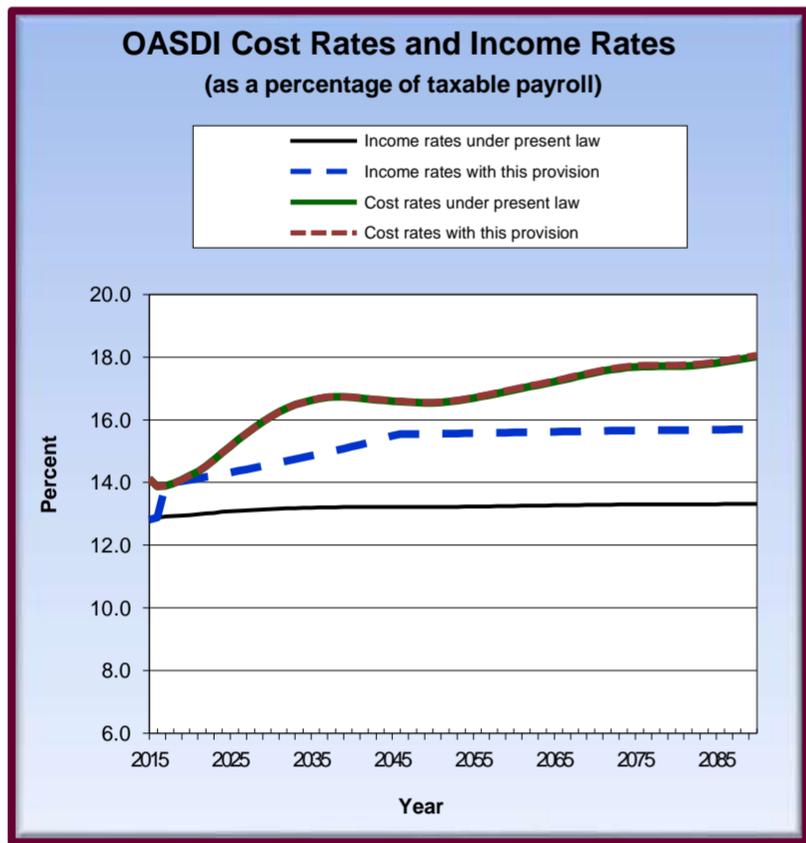# Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: Apply OASDI payroll tax rate on earnings above $400,000 starting in 2017, and tax all earnings once the current-law taxable maximum exceeds $400,000. 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 2016 that were in excess of that year's current-law taxable maximum; 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
-2.68	-4.65	1.86	2.34	69%	50%

OASDI Cost Rates and Income Rates
(as a percentage of taxable payroll)

- Income rates under present law
- Income rates with this provision
- Cost rates under present law
- Cost rates with this provision

OASDI Trust Fund Ratio
(assets as a percentage of annual expenditures)

- Present law
- With this provision

Estimates based on the intermediate assumptions of the 2015 Trustees Report

Office of the Chief Actuary, Social Security
September 1, 2015