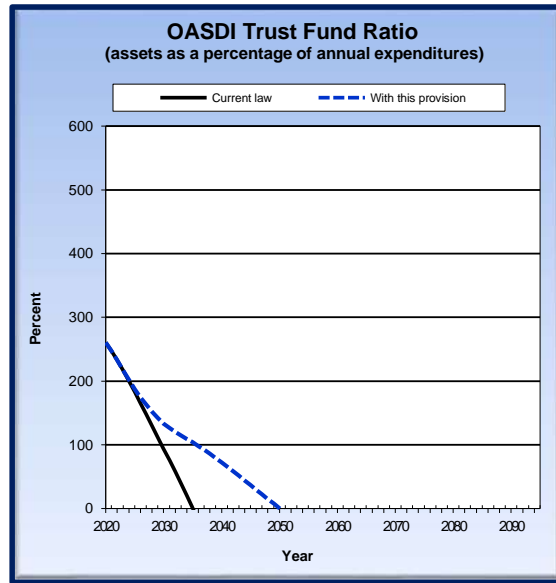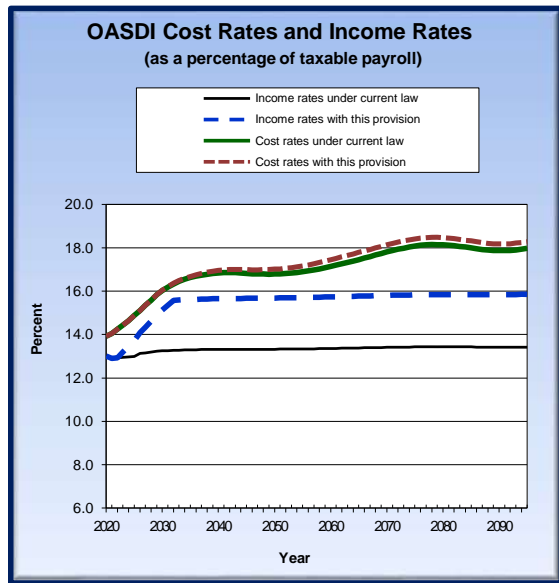# Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: E2.12. Eliminate the taxable maximum in years 2032 and later. Phase in elimination by taxing all earnings above the current-law taxable maximum at: 1.24 percent in 2023, 2.48 percent in 2024, and so on, up to 12.40 percent in 2032. Provide benefit credit for earnings above the current-law taxable maximum. Create a new bend point at the current-law taxable maximum with a 3 percent formula factor applying above the new bend point.

Current law [percent of payroll]		Change from current 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
-3.21	-4.51	1.90	2.12	59%	47%

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

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

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

- Current law
- With this provision

Estimates based on the intermediate assumptions of the 2020 Trustees Report

Office of the Chief Actuary
Social Security Administration
May 19, 2020