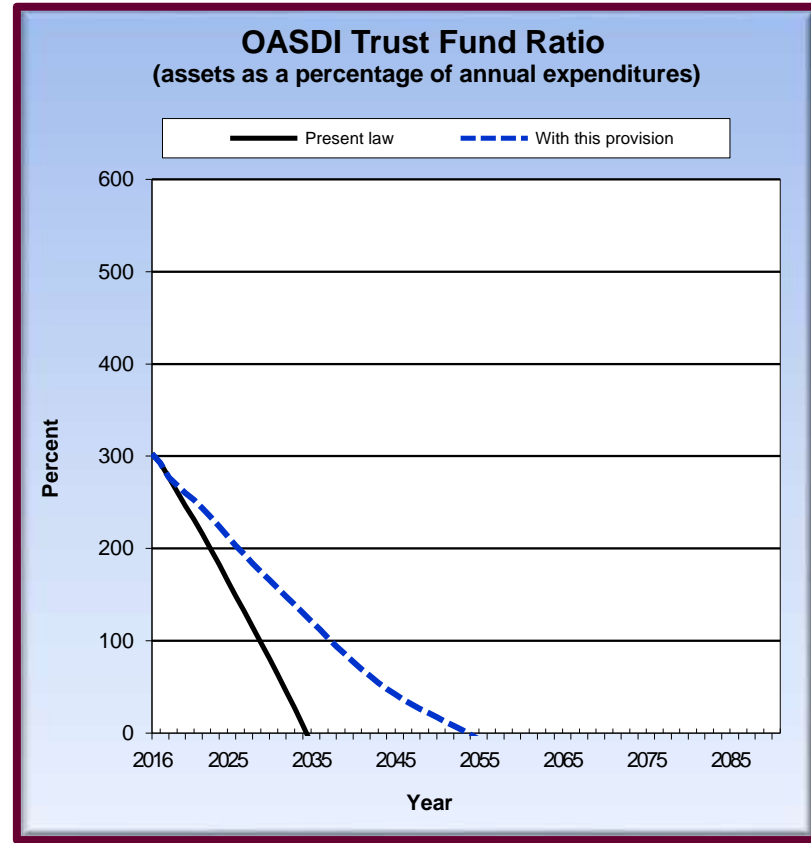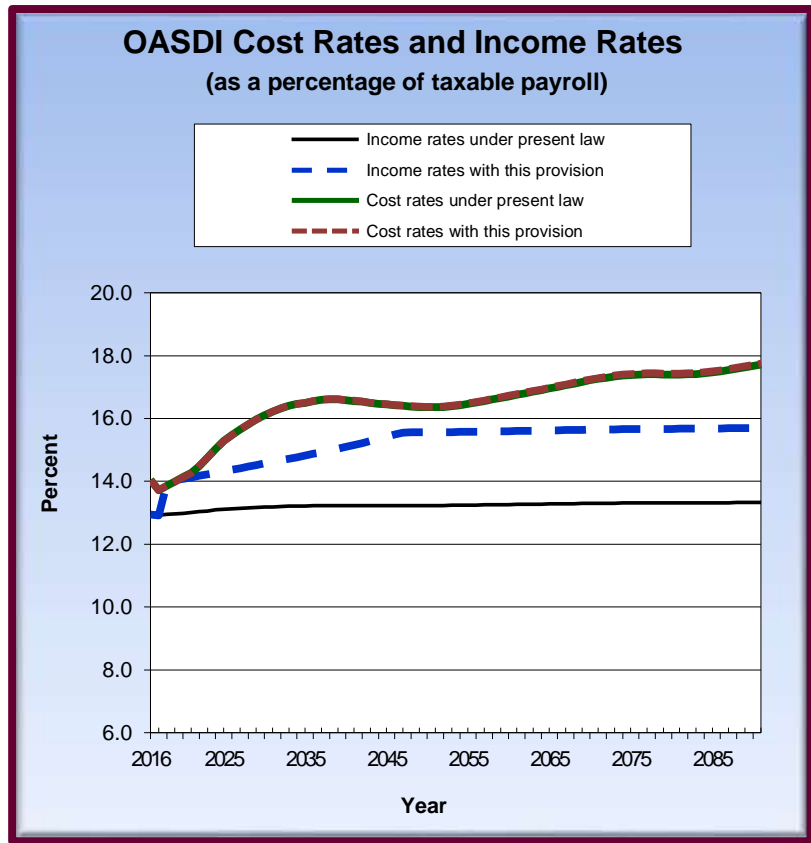# Summary Measures and Graphs

Category of Change: Payroll Taxes (including maximum taxable)

Proposed Provision: E2.13. Apply OASDI payroll tax rate on earnings above $400,000 starting in 2018, 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 2017 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
-2.66	-4.35	1.88	2.33	71%	54%

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 2016 Trustees Report

Office of the Chief Actuary
Social Security Administration
August 30, 2016