#### 1994 Social Security Information

o <u>Tax Rate</u>\*: 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.

- o <u>Maximum Taxable Earnings Base</u>: OASDI-- \$60,600; HI-- No limit
- o Maximum FICA/SECA Taxes:

	OASDI	<u> </u>
Employee/employer	\$3,757.20	No limit
Self-employed	7,514.40	No limit

o <u>OASDI Workers Covered (in millions)</u>: <u>Wages Self-employed Combined</u>

1994 (est.) -- 130.1 13.3 137.8

- o <u>Earnings Required for a Quarter of Coverage</u>: \$620; (\$2,480 for four)
- o <u>Retirement Test Exempt Amounts</u>:
  - --Age 65-69 ---- \$11,160 annually, \$930 monthly (\$1 for \$3 withholding rate) -- Under age 65 -- \$ 8,040 annually, \$670 monthly (\$1 for \$2 withholding rate)
- o Supplementary Medical Insurance Premium: \$41.10 per month
- o Substantial Gainful Activity: \$500/mo. nonblind, disabled; \$930/mo. blind
- o <u>Formulae Bend Points</u>: (Applicable to workers who reach age 62, become disabled, or die in 1994)

Primary Insurance Amount (PIA)	OASI Maximum Family Benefit (MFB)
90% of first \$422 of AIME, plus 32% of AIME over \$422 thru \$2,545, plus 15% of AIME over \$2,545	150% of first \$539 of PIA, plus 272% of PIA over \$539 thru \$779, plus 134% of PIA over \$779 thru \$1016, plus 175% of PIA over \$1016

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

0	Average Monthly Benefits:	12/91	12/92	(12/93)
	Retired worker	\$ 629	\$ 653	\$ 674
	Retired worker and aged spouse	1,066	1,105	1,140
	Disabled worker	609	626	642
	Disabled worker, spouse and children		1,075	1,093
	Aged widow(er)	583	608	631
	Widowed mother/father and 2 children	1,221	1,257	1,289

0	Benefits for 1994 Retirees:	<u> Age 62</u>		<u>Age</u>	65
			1/94		1/94
		1/94 PIA	<u>Benefit</u>	<u>1/94 PIA</u>	<u>Benefit</u>
	Low earner (45% of avg. wages)	\$ 519.90	\$415	\$ 505.30	\$ 505

 Average earner
 856.90
 685
 829.80
 829

 Maximum earner
 1,185.00
 948
 1,147.50
 1,147

o Long-Range Constant Replacement Rate: Retirement at Age 67 in 2030+

Low earner (45% of avg. wages)--- 56% Average earner----- 42% Maximum earner---- 28%

SSA/OLCA 01/05/94

- o <u>Average Wage Level</u>: 1991 -- \$21,811.60; 1992 -- \$22,935.42
- o Age-72 Payments (December 1993):

### Transitionally Insured (Byrnes) Special-Age 72 Payment (Prouty)

Individual \$183.40 \$183.40 Couple 275.20 \$366.80

- o Minimum PIA: (generally eliminated for workers eligible after 1981)
  - --For workers age 62 before 1979-- \$267.70 effective 12/93.
  - --For retired workers age 62 in 1979-81, the minimum PIA effective 12/93 can range from \$212.50 to \$267.90 depending on age and year of entitlement.
  - --For survivors of certain workers who died before 1982, the minimum PIA effective 1/94 can be as low as \$122.
- o Special Minimum PIA (12/93):

Approximately \$25.27 per year of coverage over 10 years; highest special minimum PIA equals \$505.30 based on 30 years of coverage.

0	Minimum Earnings for Year of Coverage:	1992	1993	1994
	Special Minimum	\$ 6,210 \$10.350	\$ 6,435 \$10,725	\$ 6,750 \$11,250

#### o <u>Number of OASDI Beneficiaries (at end of October 1993)</u>:

Total OASDI beneficiaries	42.1	million
OASI beneficiaries	36.9	million
-Retired workers	26.1	million
-Families and survivors	10.9	million
DI beneficiaries	5.2	million
-Disabled workers	3.7	million
-Family members	1.5	million

## o <u>Trust Fund Operations (in billions)</u>:

<u>Calendar Year</u>	<u>Fund</u>	<u>Income</u>	<u>Outgo</u>	<u>Fund at End of Year</u>
1992	OAST	\$311.2	\$259.9	\$319.2

	DI	31.4	32.0	12.3
1993 <u>a</u> /	OASI	\$323.6	\$273.6	\$369.1
	DI	32.3	35.4	9.2

 $\underline{a}$ / Estimated

o <u>SSI Payment Standard</u>: \$446 individual, \$669 couple (effect. 1/94)

# o <u>Federally Administered SSI</u>:

Number of beneficiaries as of 9/93 ---- 5.9 million Expenditures in FY 1993 ----- \$23.6 billion

0	Census Bureau Poverty Threshold:	1990	1991	1992
	Aged individual	\$ 6,268	\$ 6,532	\$ 6,729
	Couple, aged head	7,905	8,241	8,487
	Family of four	13,359	13,924	14,333

- o <u>Social Security Information:</u> 1-800-SSA-1213
- o <u>Congressional Relations Staff</u>: (410) 965-3929