### 1995 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 Maximum Taxable Earnings Base: OASDI-- \$61,200; HI-- No limit
- o Maximum FICA/SECA Taxes:

	OASDI	HT
Employee/employer	\$3,794.40	No limit
Self-employed	7,588.80	No limit

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

  1995 (est.)-- 133.5 13.5 141.4
- o Earnings Required for a Quarter of Coverage: \$630; (\$2,520 for four)
- o Retirement Test Exempt Amounts:
  - --Age 65-69 ---- \$11,280 annually, \$940 monthly (\$1 for \$3 withholding rate) -- Under age 65 -- \$ 8,160 annually, \$680 monthly (\$1 for \$2 withholding rate)
- o Supplementary Medical Insurance Premium: \$46.10 per month
- o Substantial Gainful Activity: \$500/mo. nonblind, disabled; \$940/mo. blind
- o <u>Formulae Bend Points</u>:(Applicable to workers who reach age 62, become disabled, or die in 1995)

Primary Insurance Amount (PIA)	OASI Maximum Family Benefit (MFB)
90% of first \$426 of AIME, plus 32% of AIME over \$426 thru \$2,567, plus 15% of AIME over \$2,567	150% of first \$544 of PIA, plus 272% of PIA over \$544 thru \$785, plus 134% of PIA over \$785 thru \$1024, plus 175% of PIA over \$1024

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

0	Average Monthly Benefits:	12/92	12/93	12/94 (est.)
	Retired worker	\$ 653	\$ 674	\$ 698
	Retired worker and aged spouse	1,105	1,140	1,178
	Disabled worker	626	642	661
	Disabled worker, spouse and children	1,075	1,093	1,118
	Aged widow(er)	608	631	656
	Widowed mother/father and 2 children	1,257	1,289	1,337

0	Benefits for 1995 Retirees	:	Age 62		Age	65
				1/95		1/95
			1/95 PIA	Benefit	1/95 PIA	Benefit
	Low earner (45% of avg. v	waqes)	\$ 524.80	\$419	\$ 520.30	\$ 520

Average earner 864.30 691 858.90 858 Maximum earner 1,207.40 965 1,199.10 1,199

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 11/07/94

- o Average Wage Level: 1992 -- \$22,935.42; 1993 -- \$23,132.67
- o Age-72 Payments (December 1994):

# <u>Transitionally Insured (Byrnes)</u> <u>Special-Age 72 Payment (Prouty)</u>

Individual \$188.50 \$188.50 Couple 282.80 \$377.00

- o <u>Minimum PIA</u>: (generally eliminated for workers eligible after 1981)
  - --For workers age 62 before 1979-- \$275.10 effective 12/94.
  - --For retired workers age 62 in 1979-81, the minimum PIA effective 12/94 can range from \$218.40 to \$275.40 depending on age and year of entitlement.
  - --For survivors of certain workers who died before 1982, the minimum PIA effective 1/95 can be as low as \$122.
- o Special Minimum PIA (12/94):

Approximately \$25.97 per year of coverage over 10 years; highest special minimum PIA equals \$519.40 based on 30 years of coverage.

0	Minimum Earnings for Year of Coverage:	1993	1994	1995
	Special Minimum	\$ 6,435	\$ 6,750	\$ 6,795
	Windfall Elimination Provision	\$10,725	\$11,250	\$11,325

#### o Number of OASDI Beneficiaries (at end of October 1994):

Total OASDI beneficiaries	42.8	million
OASI beneficiaries	37.2	${\tt million}$
-Retired workers	26.4	million
-Families and survivors	10.9	million
DI beneficiaries	5.5	million
-Disabled workers	3.9	million
-Family members	1.6	million

#### o Trust Fund Operations (in billions):

<u>Calendar Year</u>	Fund	Income	Outgo	<u>Fund at End of Year</u>
1993	OASI	\$323.3	\$273.1	\$369.3

	DI	32.3	35.7	9.0
1994 <u>a</u> /	OASI	\$330.3	\$284.6	\$415.0
	DI	49.4	38.9	19.5

<u>a</u>/ Estimated

o <u>SSI Payment Standard</u>: \$458 individual, \$687 couple (effect. 1/95)

## o Federally Administered SSI:

Number of beneficiaries as of 9/94 ---- 6.2 million Expenditures in FY 1994 ----- \$24.9 billion

0	Census Bureau Poverty Threshold:	1991	1992	1993
	Aged individual	\$ 6,532	\$ 6,729	\$ 6,930
	Couple, aged head	8,241	8,487	8,740
	Family of four	13.924	14,335	14.763

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