SOCIAL SECURITY

Date: February 10, 2005   Refer To: TCA

To: Bob Pozen

From: Stephen C. Goss
        Chief Actuary

Subject: Estimated Financial Effects of a Comprehensive Social Security Reform Proposal Including Progressive Price Indexing --INFORMATION

This memorandum provides estimates of the financial effects of the plan you have developed for modifying the benefit and financing provisions of the Social Security program. Included is a description of the plan and the assumptions used for the estimates.

Under the plan specifications described below the Social Security program (OASDI) would be expected to be solvent and to meet its benefit obligations throughout the long-range period 2004 through 2078. Moreover, because the combined OASDI Trust Funds are projected to be rising as a percentage of the annual cost of the program at the end of 75 years, the plan would be expected to restore *sustainable solvency* for the program, that is, the program would be expected to be financially solvent for the foreseeable future. All estimates are based on the intermediate assumptions of the 2004 Trustees Report plus additional assumptions described below.

The plan provides for a modification of the basic benefit formula except for the lowest 30 percent of career-average earners whose basic benefits would be unchanged under the plan. It would provide reductions beginning in 2012 for higher paid workers. The reductions would be smaller for workers at medium career earnings levels and larger for workers at higher career earnings levels, reaching the equivalent of full CPI indexing of the benefit for the very highest earners. Individuals becoming eligible for benefits before 2012 would not be affected by this change in the basic benefit formula.

This plan would establish voluntary, progressive individual accounts starting in 2007 for workers who were under age 55 on January 1, 2005 and would provide for an offset against Social Security retirement and aged survivor benefits for those who participate. In addition, for those who die before receiving benefits and have no surviving spouse, their estate would receive the balance in their IA at death minus an offset that would be paid to the Trust Funds to compensate for their earlier allocations of a portion of their payroll taxes to their IA.

Individual account (IA) assets would be invested through a central administrative authority (CAA) with a required allocation of 60 percent in broad indexed equity funds, 24 percent in broad indexed corporate bond funds, and 16 percent in a long-term Treasury bond fund. CPI-indexed life annuities would be available for purchase from the CAA with IA accumulations at the time of retirement. IA contributions would be redirected from the OASI Trust Fund. The ability of the Social Security Trust Funds to meet benefit obligations would be maintained through transfers from the General Fund of the Treasury when needed ; such transfers are expected to be needed for years 2030 through 2072.

Plan Specifications

Basic Benefit Provision: Progressive CPI-Indexing

The primary insurance amount (PIA) formula used for the computation of all monthly benefits under the OASDI program would be changed starting for those becoming eligible for benefits in 2012. This provision was first developed based on your thinking in 2003, as documented in an earlier memorandum to you dated August 21, 2003. The following three-step approach would be used.

    A. Begin by computing the percentage benefit reduction that would apply for the highest career-average earner becoming eligible for a retired worker benefit in each year 2012 and later based on CPI-indexing the PIA formula (as specified in Model 2 of the President's Commission to Strengthen Social Security).

    B. Then create a new "bend point" in the Social Security PIA formula at the level of the career-average earnings of the retiree at the 30th percentile of those becoming eligible for benefits in 2010, and wage index this bend point forward like the two current bend points. This new bend point is estimated to be 28.6 percent of the way up from the current first bend point to the current second bend point.

    C. Calculate the percentage reduction to the "PIA factors" (32 and 15) that applies beyond the new PIA bend point that will provide the benefit reduction described above for the "maximum" earner reaching retirement eligibility for each year 2012 and later.

This proposal would replicate benefit reductions for the very highest career-average earners that are provided under a CPI-indexed benefit formula. Benefit levels would be reduced to a lesser extent for workers with lower career-average earnings, with no reduction for those at or below the 30th percentile of career-average earnings (AIME). The career average annual indexed earnings level used for Social Security benefit purposes is estimated to be about $25,000 at the 30th percentile for retirees becoming eligible for benefits in 2012.

The reductions under this provision would continue through at least 2078 (the end of the current 75-year valuation period.) Reductions would be less in size thereafter if program financing is sufficient to fully pay scheduled benefits without further transfers of General Revenue.

Individual Accounts

Starting in 2007, all workers who were under 55 on January 1, 2005 will have the option to enroll in the individual account plan. Enrollees with earnings in OASDI (Social Security) covered employment will have a portion of their payroll tax contribution (12.4 percent of taxable earnings in total) redirected from the OASI Trust Fund to an individual account. The percentage of taxable earnings to be redirected in 2007 will be 2 percent of the worker's OASDI taxable earnings, up to a maximum IA contribution of $3,000. For years after 2007, the limit on the 2-percent IA contribution would be indexed by growth in the CPI-W, as computed for the OASDI cost of living adjustment. In fact, under the intermediate projections of the 2004 Trustees Report, the limitation would not begin to affect contributions for even the highest earners until 2048. Thereafter, the effective dollar limit on annual IA contributions would grow with price inflation (the cost of living).

IA contributions for a worker based on a year's earnings are not determinable until earnings are reported to and tabulated by the Social Security Administration. Because this reporting is made by employers on an annual basis, after the end of the calendar year, amounts for individual workers are not determinable for somewhat over a year, on average, after the date on which earnings are paid. Under the proposal, IA contributions during this initial period would be determined based on employer reports of aggregate OASDI taxable earnings of their employees, and would be invested in aggregate on behalf of the workers in the required account portfolio. The accumulated IA contributions would be allocated to the individual accounts of specific workers as soon as current earnings reporting permits. Allocations would be made assuming that the pattern of earnings throughout the year was the same for all workers.

Under the plan, IA assets, once allocated on an individual basis, would be automatically invested in the required portfolio through a central administrative authority that would maintain all records of individual transactions and balances. The required portfolio for individual accounts is specified as 60 percent in broad indexed equity funds, 24 percent in broad indexed corporate bond funds, and 16 percent in a long-term Treasury bond fund, and would be rebalanced daily. Alternatively, the required portfolio could be specified as a life-cycle fund that is more heavily invested in equities at younger ages, and less heavily in equities at later ages. If this were the approach taken for the required portfolio under this proposal, the life-cycle fund allocations would be specified so as to produce an expected accumulation for each cohort of workers that is equivalent to the expected accumulation based on the fixed 60/24/16 portfolio allocation. The central administrative authority would group the assets of all participating individuals for the purpose of transactions with private investment firms.

IA Disbursements and Annuitization

At retirement, the participating worker could purchase a life annuity with CPI-indexed payments using a portion of the worker's IA accumulation. The annuity would be administered by the central administrative authority, with private investment firms handling the investment of assets on an aggregated (group) basis. The annuities would be computed

using the assumed long-term future returns on Treasury bonds as determined by the central administrative authority at the time of annuitization. The central administrative authority would be backed by the Treasury of the United States government. Thus, the General Fund of the Treasury would provide the "insurance" that the full amount of the annuity will be paid for life regardless of actual investment returns.

IA assets would be exempt from income tax during the period of accumulation. All disbursements from individual accounts, including annuity payments, would be subject to Federal personal income tax in the same manner as are regular monthly OASDI benefit payments, with revenue transferred to the trust funds.

For individuals who die before receiving retirement (retired worker or aged spouse) benefits, the IA assets will be transferred to the account of the surviving spouse, if any, but will be allocated as needed to provide annuities for any surviving children of the deceased. If there are no survivors, and the worker dies before such benefit entitlement, their estate would receive the balance in their IA at death minus an offset that would be paid to the Trust Funds to compensate for their earlier allocations of a portion of their payroll taxes to their IA. The portion going to the trust funds reflects the hypothetical account accumulation for offsets (see below). If a married couple divorces before retirement then the accumulated IA assets from contributions for the years of marriage will be divided equally between the spouses.

Benefit Offsets Based on Individual Account Contributions

Offsets against OASI retired worker, aged spouse and aged widow(er) benefits would be based on a hypothetical account accumulation (a shadow account) with a specified real benefit–offset yield rate of 3 percent (3 percent above the actual rate of CPI-W inflation prior to retirement and 3 percent above the CAA expected future rate of CPI inflation for years after retirement). The hypothetical account accumulation will include IA contributions reflected in the individual's own IA, including any amounts based on IA assets inherited from a deceased spouse or received at the time of allocation at divorce. The offsets would be applied to OASI aged benefits received by the individual on the basis of a CPI-indexed life annuity calculation reflecting the value of the shadow account at retirement, the benefit offset yield rate, and the expected unisex mortality used in the most recent OASDI Trustees Report (intermediate projections) for persons with the beneficiary's year of birth. For married couples, the benefit offset would be computed and applied on a combined basis.

Central Administrative Authority

The central administrative authority would maintain records and issue periodic statements to account holders. The IA management would be based on the design of the government employee Thrift Savings Plan (TSP), with limited reporting requirements. Aggregated assets would be invested by privately managed investment firms. Through this approach it is assumed that IA administrative costs can be expected to be modest, ultimately around 0.30 percent of IA assets on average, with this being the charge for each account holder. This might require some Federal subsidy in early years for the IA, when account balances are low and start-up costs are incurred.

General Fund Transfers to the Trust Funds

The OASDI Trust Funds will receive transfers from the General Fund of the Treasury if, at any time, the combined OASDI Trust Fund ratio (TFR, the ratio of assets in the trust funds to the projected cost of the program for the next 12 months) is expected to fall below 100 percent under the provisions of the plan during the following year. Transfers would be sufficient to maintain this 100 percent TFR. This provision would guarantee solvency and sustainable solvency for the trust funds in any circumstance.

Assumptions

As indicated above, estimates provided in this memorandum are based on the intermediate assumptions of the 2004 Trustees Report.

Given the nature of the individual accounts and the offsets, individual account participation is expected to be substantial, but not universal. Because IA participation requires no additional contribution by workers, and the account assets would not be subject to potential future modification (as are basic monthly OASDI benefits), most individuals are expected to participate. The uncertainty of achieving a net real yield in excess of 3 percent on IA assets will cause some to pass on the option. On balance, we assume that about two thirds of the potential IA contributions for eligible workers will be realized through worker elections.

The ultimate average real yield on corporate bonds is assumed to be 3.5 percent, or 0.5 percentage point above the Trustees intermediate assumption for long-tern Treasury bonds. In addition, the long-term ultimate average annual real yield assumed for equities is 6.5 percent. This is somewhat lower than the historical real equity yield over the last several decades.

A consensus appears to have formed among economists that equity pricing, as indicated by price-to-earnings ratios, may average somewhat higher in the long-term future than in the long-term past. This is consistent with broader access to equity markets and the belief that equities may be viewed as somewhat less "risky" in the future than in the past. Equity pricing will vary in the future as in the past. Price-to-earnings ratios were very high through 1999, and are now lower. The lower-than-historical average ultimate real yield assumed for equities purchased in future years is consistent with an average ultimate level of equity pricing somewhat above the average level of the past.

The assumption for an ultimate real equity yield of 7 percent that was used by the Office of the Chief Actuary until 2001 was developed in 1995 with the 1994-96 Advisory Council. At that time, the Trustees assumption for the ultimate average real yield on long-term Treasury bonds was 2.3 percent. Real yields on corporate bonds are believed to bear a close relationship to Treasury bond yields of similar duration. The 2004 Trustees Report includes the assumption that the ultimate real yield on long-term Treasury bonds will average 3 percent, or 0.7 percentage point higher than assumed in 1995. This increase in the assumed

bond yield is consistent with a reduction in the perceived risk associated with equity investments.

It should be noted that the precise effects of implementing a plan that would result in a significant demand for equities and corporate bonds on the yields of these securities is not clear. This demand would likely be at least partially offset by reductions in demand for other investment mechanisms. For the purpose of these estimates, it is assumed that there will be no net dynamic feedback effects on the economy or on the financial markets.

Financial Effects of the Plan

Trust Fund Operations

Table 1 indicates that under the intermediate assumptions of the 2004 Trustees Report and the assumed average yields for equities and corporate bonds described above, the OASDI program is projected to be solvent throughout the 75-year projection period and to satisfy the criteria for sustainable solvency (stable or rising TFR at the end of 75 years). The annual cost rate (cost of the OASDI program as a percent of payroll) is expected to decline steadily after 2033, reflecting the increasing extent of benefit reductions due to the basic benefit formula modification and offsets associated with IA participation. The annual balance (net cash-flow balance as a percent of payroll) is projected to reach zero at the end of the period, and to be positive thereafter. The TFR is projected to be stabilized at 100 percent of annual cost between 2031 and 2074 through General Fund transfers. Thereafter, the TFR is projected to rise slowly.

Net General Fund transfers, expressed as a percent of taxable payroll, are projected to rise to a peak of 3.70 percent for 2032 and decline thereafter, reaching zero for 2073 and later. The "effective" OASDI contribution rate is projected to be reduced from the nominal level of 12.4 percent by the amount redirected to personal accounts but increased temporarily by General Revenue transfers. Aggregate IA contributions are projected to reach 1.33 percent of taxable payroll for 2021 through 2050, and to decline slowly thereafter due to the CPI-indexed limit on annual IA contributions. The effective IA contribution rate (the expected aggregate amount of IA contributions in a year as a percentage of total taxable earnings for the year) is projected to decline to 1.24 percentage points for 2078.

The actuarial deficit for the OASDI program over the 75-year projection period would be improved by an estimated 1.89 percent of taxable payroll, from an actuarial deficit of 1.89 percent of payroll projected under current law to a positive actuarial balance that rounds to 0.01 percent of payroll under the plan.

Program Transfers and Assets

Table 1a provides an analysis of General Fund net transfers under the plan and of net OASDI Trust Fund and individual account assets. Columns 1 through 3 provide the estimated amounts of annual transfers to maintain a 100 percent TFR under the mechanism described above. Column 4 provides the cumulative total amount of these transfers from the General

Fund of the Treasury through the end of each year. Under the plan, transfers from the General Fund would not be expected to be required until 2030; and the total expected transfers needed between 2030 and 2078 are $1.90 trillion in present value. As seen in table 1d, column 7, this leads to a trust fund level of $0.2 trillion at the end of 2078.

Total projected OASDI Trust Fund assets are shown in column 5. For purpose of comparison, the net OASDI Trust Fund assets are also shown for a theoretical Social Security program where borrowing authority is assumed for the Trust Funds. The theoretical Social Security program with borrowing authority is presented both without and with the net General Fund transfers expected under this plan, in columns 8 and 9, respectively. Column 1 of table 1d shows that transfers or borrowing from the General Fund of the Treasury required to finance currently scheduled benefits through 2078 would total $3.70 trillion in present value, and this would leave the cash holdings of the trust fund at zero at the end of 2078. Thus, to achieve the same 2078 trust fund level as for the proposal and to pay the scheduled benefits in full $3.9 trillion in transfers would be needed, or $2.0 trillion more than the transfers needed under the proposed plan. As is also shown in table 1d, this difference is explained by two partially offsetting factors. First, currently scheduled benefits would be greater for medium and high earners than in the proposal by about $2.91 trillion in present value through 2078. Second, the proposal would be expected to result in about $0.91 trillion more in IA contributions than it would save in benefit offsets through 2078, as a substantial portion of the offsets based on IA contributions through 2078 would occur after that period.

If the individual accounts are considered as a part of a "total system", along with the OASDI program, then it is reasonable to consider "total system assets". These would be the sum of net OASDI trust fund assets and IA assets (columns 5 and 6). Under the intermediate assumptions and assuming full annuitization of IA assets, total system assets are expected to be large and growing in real terms at the end of the 75-year projection period.

<div align="center">Effect on the Federal Unified Budget</div>

Table 1b (present value dollars) and table 1b.c (constant dollars) provide estimates of the effect on federal unified budget cash flows and balances under this plan and these assumptions. All values in this table represent the amount of the change that would be expected as a result of implementing the proposal, from the level that would be projected under current law. The effect of the plan on unified budget cash flow (column 4) would be expected to be negative initially, but positive starting 2032. This total cash flow change is the combination of the specific plan effects shown in columns 1-3. It is important to note that these estimates are based on the intermediate assumptions of the 2004 Trustees Report and thus are not consistent with estimates made by the OMB or the CBO based of their assumptions.

The fifth column provides the projected effect of implementing the plan on the Federal debt held by the public. The final column provides the projected effect on the annual unified budget balances, including both the cash flow effect in column 4 and the additional interest on the accumulated debt.

Cash Flow to the General Fund of the Treasury

Table 1c provides estimates of the net cash flow from the OASDI Trust Funds to the General Fund of the Treasury. Revenue paid by the Treasury to the trust funds for the redemption of the special-issue Treasury obligations held by the trust funds is included here as a negative cash flow to the General Fund. Specified transfers from the General Fund under the plan also are shown as negative cash flow.

Values in Table 1c are shown as a percent of taxable payroll, in current dollars, in present value dollars as of 1/1/2004, and in constant 2004 dollars (discounted to 2004 with the projected growth in the CPI). For comparison purposes, net cash flow is also shown for a theoretical Social Security program where transfers from the General Fund of the Treasury to the OASDI Trust Funds are assumed to occur as needed to assure full payment of scheduled benefits in 2042 and later.

Change in Long-Range Trust Fund Assets/Unfunded Obligation

Table 1d provides estimates of the amount of assets in the combined OASI and DI Trust Funds at the end of each year, in present discounted value. Negative values do not indicate levels of trust fund assets as the program does not have borrowing authority. Instead, negative values reflect the magnitude of the unfunded obligation of the program through the end of the year. The first column presents these estimates under present law, where the unfunded obligation is $3.7 trillion through 2078, the end of the 75-year long-range period.

Columns 2 through 5 show the annual effects of the components of the proposal that move the OASDI program to elimination of the unfunded obligation. These include the basic OASDI changes (the change in the benefit formula plus the net change in taxation of benefits and on IA distributions), IA contributions redirected from the trust funds to the IAs, offsets against OASI benefits due to IA participation, and the General Fund transfers needed to maintain solvency in 2029 through 2071. It may be noted that due to the provisions of this proposal, the amount of benefit offsets due to IA participation in column 4 will tend to be nearly as large as the amount of IA contributions in column 3 over the entire lifetime of each birth year cohort .

The combination of the annual effects in columns 2 through 5 is accumulated in column 6, showing effect on projected trust fund assets, or on the unfunded obligation, through the end of each year. Column 7 shows the resulting trust fund asset levels projected under the proposal. The overall effect of the proposal is to transform the projected $3.7 trillion long-range unfunded obligation for the program under current law into an expected positive trust fund balance of $ 0.2 trillion at the end of the period.

Estimates with Low or Risk-Adjusted Yields on Assets

Tables 2, 2a, 2b, 2c, and 2d provide an analysis of the implications of realizing actual real yields on individual account assets that are equal to the assumed average real yield on long-term Treasury bonds, or 3 percent. This may be viewed as either illustrating the case where the average real yield on equities and corporate bonds is no higher than on government bonds, or illustrating the effect of assuming "risk-adjusted" returns on equities and corporate bonds. In either case, the "expected" yield on annuitized assets is assumed to match the actual yield, on average.

The historically higher returns on equities and corporate bonds than on Treasury bonds is associated with the relatively higher degree of variability in the returns on these assets. One way of accounting for the combination of this increased variability and the associated higher expected return that is demanded in the markets is to portray the returns of the more variable assets as being the same as the relatively low-yield asset, Treasury bonds. Tables 2 serve this purpose. It should also be noted that while average real yields for equities have been at or below average bond yields for periods of a decade or so, the likelihood of having such a low average yield for a period of several decades seems extremely low.

Differences between Tables 1 and 2 are small because the only effect on the solvency of the trust funds due to variation in IA investment yields comes from the relatively small changes in income taxes paid on the IA distributions.

Estimated Benefit Levels under the Plan

Values in Tables B1 and B2 all reflect expected monthly amounts as a percentage of the scheduled OASDI benefits under current law. For the purpose of this analysis, individuals participating in the IA option are assumed to work until reaching age 65 and then to take the full-annuitization option for their IA accumulation.

For these hypothetical cases, earnings and IA contributions are assumed to begin at age 21 (22 for steady maximum workers), or in the year 2007 if later. IA contributions are assumed to be based on each worker's earnings that are taxable under the OASDI program. IA contributions apply only for individuals 54 or younger at the beginning of 2005, so those reaching age 65 in 2015 and later are eligible to participate. All annuities for married couples are assumed to be joint, with the survivor receiving two thirds of the monthly payment that is provided while both spouses are alive.

Four illustrative earnings levels are included. The "scaled" low, medium, and high earners have earnings patterns that reflect the relative probability of work and relative level of earnings by age during the period 1988-97. The absolute level of earnings in each case was set so that the Social Security PIA would be equal to that for a "steady" earner with low, average, and high earnings, respectively, in each year prior to retirement. For the steady average earner, the earnings level is the SSA average wage index (AWI) level for each year. For the steady low earner, earnings at 45 percent of the AWI are assumed. For the steady high earner, earnings at 160 percent of the AWI are assumed. The steady maximum worker is

assumed to have earnings equal to the SSA taxable maximum each year prior to retirement. While these cases are hypothetical, the PIA for the medium (or steady average) earner is close to the median PIA for retired worker beneficiaries. See Social Security Administration Actuarial Note Number 144 for a full description of these hypothetical cases.

The tables provide illustrative benefit and offset estimates for three types of marital status at retirement. The single worker, the married couple with one earner at the indicated level and the other spouse not working in paid employment, and the married couple both of whom had career earnings at the indicated level. Spouses are assumed to be at the same age.

Table B1 shows four columns for each marital status. The first column shows the level of the intended offset under the proposal for those participating in the IA option. The second and third columns show the level of the potential IA annuity for IA participants under both low/risk-adjusted returns described above and for the expected IA return with the required portfolio. The fourth column shows the level of the OASDI benefit before application of the offset. This basic level of benefit is the full benefit provided for individuals not participating in the IA and for disabled worker beneficiaries (who do not receive IA distributions until after reaching their normal retirement age and converting to retirement status).

Table B2 provides three columns for each marital status. The first column repeats the basic OASDI benefit level without the offset. This column illustrates the effect of the progressive benefit formula under the proposal. Benefits for the scaled low earner are not affected as this earnings level is at about the 28th percentile of career earnings levels. Workers with higher earnings show progressively greater benefit reductions relative to current-law scheduled benefits. Of course it is important to remember that the level of benefits that is expected to be payable under current law is lower than the scheduled level starting in 2042, and is expected to reach about 68 percent of the scheduled level by 2078 if no action is taken to improve program financing.

The second column in Table B2 shows the estimated total benefit level (Social Security benefit plus the IA annuity, less the benefit offset) for retirement cases where the IA option was selected and the IA achieved a low yield, or the yield is shown on a risk-adjusted basis. The third column shows the estimated total benefit level assuming the expected yield on IA assets is achieved.

Stephen C. Goss

Attachments

Table 1 Pozen Proposal: PIA start 2012: IA 2%to $3K start 2007 <55 on 1-1-05

					Base IA Cont Rate: 2.0% to $3,000 (CPI Indexed) Benefit Offset: 100.0%			
					Assumed Participation in Voluntary IA: 66.7%			

Tax IA like benefits   Ultimate Real Trust Fund Yield Rate of 3.00
General Revenue   Benefit Offset Real Yield Rate Set at 3.00
Transfers   Benefit Offset Real Discount Rate Set at 3.00
As Needed

Year	Cost Rate[1]	Income Rate	Annual Balance	TFR 1-1-yr		"Effective" Change in OASDI Contribution Rate	"Effective" OASDI Contribution Rate[2]	General Revenue Transfer Solvency	"Effective" IA Contribution Rate
2004	11.07	12.71	1.64	306	Assess		12.40		0.00
2005	10.87	12.73	1.86	325	IA for 3%		12.40		0.00
2006	10.77	12.73	1.97	347	accumulation		12.40		0.00
2007	10.75	11.57	0.82	367	at early	-1.180	11.22		1.18
2008	10.80	11.59	0.79	374	death	-0.021	11.20		1.20
2009	10.95	11.56	0.61	378		-0.019	11.18		1.22
2010	11.08	11.56	0.48	381		-0.018	11.16		1.24
2011	11.25	11.60	0.35	383		-0.017	11.14		1.26
2012	11.48	11.61	0.13	382		-0.015	11.13		1.27
2013	11.74	11.63	-0.11	379		-0.012	11.12		1.28
2014	11.97	11.63	-0.34	375		-0.010	11.11		1.29
2015	12.23	11.64	-0.59	368		-0.008	11.10		1.30
2016	12.51	11.65	-0.86	360		-0.007	11.09		1.31
2017	12.79	11.67	-1.12	350		-0.005	11.09		1.31
2018	13.07	11.68	-1.39	339		-0.004	11.08		1.32
2019	13.36	11.70	-1.67	326		-0.004	11.08		1.32
2020	13.66	11.71	-1.95	312		-0.003	11.08		1.32
2021	13.94	11.73	-2.21	296		-0.003	11.07		1.33
2022	14.20	11.74	-2.46	280		-0.002	11.07		1.33
2023	14.46	11.75	-2.71	263		-0.002	11.07		1.33
2024	14.70	11.77	-2.93	244		-0.002	11.07		1.33
2025	14.92	11.78	-3.14	225		0.000	11.07		1.33
2026	15.13	11.80	-3.33	205		0.000	11.07		1.33
2027	15.30	11.81	-3.49	185		0.000	11.07		1.33
2028	15.45	11.82	-3.63	164		0.000	11.07		1.33
2029	15.57	11.83	-3.74	142		0.000	11.07		1.33
2030	15.66	12.34	-3.32	120		0.500	11.57	0.5	1.33
2031	15.73	15.45	-0.28	100		3.100	14.67	3.6	1.33
2032	15.77	15.56	-0.21	100		0.100	14.77	3.7	1.33
2033	15.78	15.57	-0.22	100		0.000	14.77	3.7	1.33
2034	15.76	15.47	-0.29	100		-0.100	14.67	3.6	1.33
2035	15.72	15.37	-0.34	100		-0.100	14.57	3.5	1.33
2036	15.64	15.37	-0.27	100		0.000	14.57	3.5	1.33
2037	15.55	15.17	-0.38	100		-0.200	14.37	3.3	1.33
2038	15.44	15.07	-0.36	100		-0.100	14.27	3.2	1.33
2039	15.31	14.97	-0.34	100		-0.100	14.17	3.1	1.33
2040	15.18	14.77	-0.41	100		-0.200	13.97	2.9	1.33
2041	15.05	14.67	-0.38	100		-0.100	13.87	2.8	1.33
2042	14.92	14.57	-0.35	100		-0.100	13.77	2.7	1.33
2043	14.78	14.47	-0.31	100		-0.100	13.67	2.6	1.33
2044	14.64	14.27	-0.37	100		-0.200	13.47	2.4	1.33
2045	14.50	14.06	-0.43	100		-0.200	13.27	2.2	1.33
2046	14.36	14.06	-0.30	100		0.000	13.27	2.2	1.33
2047	14.22	13.86	-0.36	100		-0.200	13.07	2.0	1.33
2048	14.09	13.66	-0.43	100		-0.198	12.87	1.8	1.33
2049	13.96	13.66	-0.29	100		0.002	12.87	1.8	1.33
2050	13.83	13.47	-0.36	100		-0.198	12.67	1.6	1.33
2051	13.71	13.37	-0.34	100		-0.098	12.58	1.5	1.32
2052	13.60	13.27	-0.33	100		-0.098	12.48	1.4	1.32
2053	13.51	13.18	-0.33	100		-0.098	12.38	1.3	1.32
2054	13.41	13.08	-0.34	100		-0.098	12.28	1.2	1.32
2055	13.33	13.08	-0.25	100		0.002	12.28	1.2	1.32
2056	13.25	12.89	-0.36	100		-0.198	12.09	1.0	1.31
2057	13.17	12.89	-0.28	100		0.002	12.09	1.0	1.31
2058	13.09	12.89	-0.20	100		0.003	12.09	1.0	1.31
2059	13.01	12.70	-0.32	100		-0.197	11.90	0.8	1.30
2060	12.94	12.60	-0.34	100		-0.097	11.80	0.7	1.30
2061	12.87	12.61	-0.26	100		0.003	11.80	0.7	1.30
2062	12.80	12.61	-0.20	100		0.003	11.80	0.7	1.30
2063	12.75	12.41	-0.33	100		-0.197	11.61	0.5	1.29
2064	12.69	12.42	-0.27	100		0.003	11.61	0.5	1.29
2065	12.63	12.42	-0.21	100		0.003	11.61	0.5	1.29
2066	12.57	12.32	-0.24	100		-0.097	11.52	0.4	1.28
2067	12.51	12.23	-0.29	100		-0.097	11.42	0.3	1.28
2068	12.46	12.23	-0.23	100		0.003	11.42	0.3	1.28
2069	12.40	12.14	-0.27	100		-0.097	11.33	0.2	1.27
2070	12.35	12.04	-0.31	100		-0.097	11.23	0.1	1.27
2071	12.29	12.04	-0.25	100		0.003	11.23	0.1	1.27
2072	12.24	12.04	-0.20	100		0.003	11.24	0.1	1.26
2073	12.19	11.95	-0.24	100		-0.097	11.14		1.26
2074	12.14	11.95	-0.19	100		0.003	11.14		1.26
2075	12.10	11.95	-0.15	101		0.003	11.15		1.25
2076	12.06	11.96	-0.10	102		0.003	11.15		1.25
2077	12.02	11.96	-0.06	103		0.003	11.15		1.25
2078	11.97	11.96	-0.01	104		0.004	11.16		1.24
2079	11.94	11.96	0.03	106		0.004	11.16		1.24

Summarized OASDI

	Cost Rate	Income Rate	Actuarial Balance	Change in Actuarial Balance
2004 - 2078	13.46	13.46	0.01	1.89

[1] Net of Benefit Offset
[2] Including General Revenue Transfer   *Based on Intermediate Assumptions of the 2004 Trustees Report With Ultimate Real Trust Fund Interest Rate of 3.00*

Office of the Actuary
Social Security
February 7, 2005

Table 1a Proposal GF Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets

	Proposal General Fund Transfers				Total OASDI Trust Fund Assets at End of Year	Expected Individual Account Assets [1] at End of Year		Theoretical Social Security [2] with Borrowing Authority Net OASDI TF Assets End of Year	
	Annual Transfers			Accumulated					
	Present Value as of 1-1-2004	Percent of Tax Payroll	Annual Transfers	as of End of Year			GDP	Without GF Transfer	With GF Transfer (amount for Prop)
Calendar Year	(1) Billions	(2)	(3) Billions of Constant 2004$	(4)	(5)	(6)	(7)	(8)	(9)
					Billions of Constant 2004 Dollars				
2004	0.0	0.0	0.0	0	1,684	0	11,544	1,684	1,684
2005	0.0	0.0	0.0	0	1,840	0	11,911	1,840	1,840
2006	0.0	0.0	0.0	0	1,998	0	12,246	1,998	1,998
2007	0.0	0.0	0.0	0	2,096	59	12,562	2,156	2,156
2008	0.0	0.0	0.0	0	2,192	122	12,870	2,315	2,315
2009	0.0	0.0	0.0	0	2,281	190	13,171	2,473	2,473
2010	0.0	0.0	0.0	0	2,367	264	13,466	2,631	2,631
2011	0.0	0.0	0.0	0	2,450	342	13,752	2,790	2,790
2012	0.0	0.0	0.0	0	2,525	426	14,024	2,944	2,944
2013	0.0	0.0	0.0	0	2,588	514	14,285	3,091	3,091
2014	0.0	0.0	0.0	0	2,641	607	14,547	3,230	3,230
2015	0.0	0.0	0.0	0	2,681	705	14,804	3,360	3,360
2016	0.0	0.0	0.0	0	2,708	809	15,061	3,478	3,478
2017	0.0	0.0	0.0	0	2,719	918	15,322	3,584	3,584
2018	0.0	0.0	0.0	0	2,714	1,032	15,586	3,675	3,675
2019	0.0	0.0	0.0	0	2,691	1,151	15,842	3,750	3,750
2020	0.0	0.0	0.0	0	2,648	1,276	16,100	3,805	3,805
2021	0.0	0.0	0.0	0	2,584	1,405	16,354	3,841	3,841
2022	0.0	0.0	0.0	0	2,501	1,540	16,610	3,857	3,857
2023	0.0	0.0	0.0	0	2,397	1,679	16,861	3,851	3,851
2024	0.0	0.0	0.0	0	2,272	1,824	17,117	3,823	3,823
2025	0.0	0.0	0.0	0	2,127	1,974	17,372	3,773	3,773
2026	0.0	0.0	0.0	0	1,962	2,128	17,634	3,700	3,700
2027	0.0	0.0	0.0	0	1,777	2,287	17,903	3,604	3,604
2028	0.0	0.0	0.0	0	1,574	2,451	18,174	3,486	3,486
2029	0.0	0.0	0.0	0	1,354	2,620	18,451	3,346	3,346
2030	16.0	0.5	35.1	35	1,154	2,793	18,733	3,184	3,219
2031	113.4	3.6	256.4	293	1,167	2,971	19,022	3,000	3,293
2032	114.7	3.7	267.1	568	1,186	3,153	19,319	2,796	3,364
2033	112.9	3.7	270.8	856	1,204	3,339	19,622	2,570	3,427
2034	108.1	3.6	267.1	1,149	1,217	3,529	19,929	2,325	3,474
2035	103.5	3.5	263.3	1,447	1,226	3,723	20,243	2,062	3,508
2036	101.9	3.5	267.0	1,757	1,241	3,921	20,564	1,780	3,537
2037	94.6	3.3	255.3	2,065	1,247	4,122	20,892	1,481	3,546
2038	90.3	3.2	251.1	2,378	1,254	4,327	21,226	1,165	3,543
2039	86.1	3.1	246.7	2,696	1,263	4,534	21,562	833	3,530
2040	79.3	2.9	234.0	3,011	1,266	4,744	21,904	485	3,496
2041	75.4	2.8	229.1	3,331	1,271	4,956	22,252	120	3,451
2042	71.6	2.7	224.0	3,655	1,279	5,170	22,605	-262	3,392
2043	67.8	2.6	218.7	3,983	1,289	5,386	22,961	-662	3,321
2044	61.7	2.4	204.7	4,307	1,294	5,602	23,322	-1,080	3,227
2045	55.6	2.2	190.3	4,627	1,294	5,819	23,687	-1,516	3,110
2046	54.7	2.2	192.9	4,958	1,305	6,036	24,055	-1,972	2,986
2047	49.0	2.0	177.7	5,285	1,310	6,252	24,426	-2,449	2,836
2048	43.4	1.8	162.1	5,605	1,309	6,467	24,799	-2,946	2,660
2049	42.7	1.8	164.2	5,938	1,320	6,681	25,174	-3,465	2,472
2050	37.3	1.6	147.9	6,264	1,324	6,891	25,552	-4,008	2,255
2051	34.4	1.5	140.5	6,592	1,330	7,098	25,936	-4,577	2,016
2052	31.6	1.4	132.8	6,923	1,337	7,302	26,324	-5,172	1,751
2053	28.8	1.3	125.0	7,255	1,343	7,503	26,721	-5,795	1,461
2054	26.2	1.2	116.9	7,590	1,349	7,702	27,123	-6,447	1,143
2055	25.8	1.2	118.4	7,936	1,363	7,898	27,528	-7,130	806
2056	21.1	1.0	100.0	8,274	1,366	8,091	27,939	-7,845	429
2057	20.8	1.0	101.3	8,624	1,377	8,281	28,354	-8,594	30
2058	20.4	1.0	102.6	8,985	1,396	8,468	28,775	-9,378	-393
2059	16.1	0.8	83.1	9,338	1,403	8,652	29,204	-10,196	-859
2060	13.8	0.7	73.7	9,691	1,408	8,832	29,639	-11,052	-1,360
2061	13.6	0.7	74.6	10,057	1,420	9,009	30,078	-11,946	-1,889
2062	13.4	0.7	75.6	10,434	1,440	9,183	30,526	-12,880	-2,446
2063	9.4	0.5	54.7	10,802	1,444	9,353	30,978	-13,857	-3,055
2064	9.2	0.5	55.4	11,181	1,455	9,519	31,438	-14,876	-3,695
2065	9.1	0.5	56.1	11,573	1,474	9,682	31,906	-15,940	-4,367
2066	7.1	0.4	45.5	11,966	1,489	9,850	32,379	-17,050	-5,085
2067	5.3	0.3	34.6	12,359	1,498	10,015	32,861	-18,208	-5,848
2068	5.2	0.3	35.0	12,765	1,515	10,177	33,359	-19,414	-6,649
2069	3.4	0.2	23.6	13,171	1,527	10,337	33,859	-20,670	-7,499
2070	1.7	0.1	12.0	13,579	1,533	10,494	34,366	-21,978	-8,400
2071	1.6	0.1	12.1	13,998	1,547	10,648	34,882	-23,340	-9,341
2072	1.6	0.1	12.3	14,430	1,567	10,800	35,404	-24,756	-10,326
2073	0.0	0.0	0.0	14,863	1,582	10,950	35,931	-26,230	-11,366
2074	0.0	0.0	0.0	15,309	1,603	11,099	36,464	-27,762	-12,453
2075	0.0	0.0	0.0	15,768	1,630	11,246	37,006	-29,356	-13,588
2076	0.0	0.0	0.0	16,241	1,664	11,391	37,555	-31,014	-14,772
2077	0.0	0.0	0.0	16,729	1,705	11,535	38,112	-32,736	-16,008
2078	0.0	0.0	0.0	17,231	1,753	11,678	38,677	-34,527	-17,296
2079	0.0	0.0	0.0	17,747	1,809	11,820	39,245	-36,387	-18,639
Total	1,899.4								

[1] Including annuity assets, assuming all annuitize fully.

[2] Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

Table 1b IA Contributions, IA Offset, Other Changes, & Budget Effect

	Base Individual Account Contribution Rate: 2.0%			Benefit Offset: 100.0%		
	Amount(%)		Other	Change in		
	Contributed to	Offset to	Changes	Annual	Debt Held	Annual
	IA by Fed Gov:	OASDI Ben	in OASDI	Unified Budget	by Public	Unified Budget
	100	From IA	Cash flow	Cashflow	(EOY)	Balance
	(1)	(2)	(3)	(4)=(3)+(2)-(1)	(6)	(7)
Year			(Billions of $, Present Value on 1-1-2004)			
2005	0.0	0.0	0.0	0.0	0.0	0.0
2006	0.0	0.0	0.0	0.0	0.0	0.0
2007	51.3	0.0	0.0	-51.3	52.7	-52.7
2008	52.0	0.0	0.0	-52.0	106.1	-56.1
2009	52.5	0.0	0.0	-52.5	160.0	-59.5
2010	52.9	0.0	0.0	-52.9	214.4	-62.8
2011	53.1	0.0	0.0	-53.1	269.0	-66.0
2012	53.2	0.3	0.1	-52.7	323.2	-68.6
2013	53.0	0.7	0.3	-52.0	376.7	-70.8
2014	52.8	1.1	0.7	-51.0	429.2	-72.8
2015	52.5	1.6	1.2	-49.8	480.5	-74.6
2016	52.1	2.1	1.8	-48.3	530.3	-76.0
2017	51.6	2.7	2.5	-46.5	578.2	-77.1
2018	51.1	3.3	3.3	-44.5	624.1	-77.9
2019	50.5	3.9	4.3	-42.2	667.5	-78.1
2020	49.8	4.6	5.4	-39.8	708.4	-78.0
2021	49.2	5.4	6.6	-37.1	746.6	-77.6
2022	48.5	6.2	8.0	-34.3	781.9	-76.8
2023	47.8	7.0	9.5	-31.3	814.1	-75.6
2024	47.1	7.9	11.1	-28.1	843.0	-74.2
2025	46.3	8.8	12.8	-24.7	868.4	-72.3
2026	45.5	9.7	14.6	-21.2	890.3	-70.1
2027	44.8	10.7	16.5	-17.6	908.4	-67.6
2028	44.1	11.7	18.5	-13.9	922.7	-64.8
2029	43.4	12.7	20.6	-10.1	933.2	-61.7
2030	42.7	13.7	22.7	-6.3	939.7	-58.3
2031	42.0	14.7	24.9	-2.4	942.1	-54.7
2032	41.3	15.8	27.1	1.6	940.5	-50.7
2033	40.7	16.9	29.4	5.6	934.7	-46.5
2034	40.0	18.0	31.7	9.6	924.9	-42.1
2035	39.4	19.1	34.0	13.6	910.9	-37.4
2036	38.8	20.2	36.3	17.6	892.9	-32.5
2037	38.2	21.3	38.4	21.5	870.6	-27.5
2038	37.6	22.4	40.5	25.2	844.7	-22.4
2039	37.0	23.5	42.4	28.8	815.0	-17.3
2040	36.5	24.6	44.2	32.3	781.7	-12.0
2041	35.9	25.6	46.0	35.7	745.0	-6.7
2042	35.3	26.7	47.6	39.0	704.8	-1.3
2043	34.8	27.8	49.2	42.2	661.4	4.2
2044	34.3	28.9	50.7	45.3	614.9	9.8
2045	33.7	29.9	52.0	48.2	565.2	15.5
2046	33.2	30.9	53.4	51.1	512.6	21.2
2047	32.6	32.0	54.6	53.9	457.1	27.0
2048	32.1	32.9	55.8	56.6	398.8	32.9
2049	31.5	33.8	56.9	59.2	337.9	38.8
2050	30.9	34.9	58.0	61.9	274.2	44.9
2051	30.4	35.8	59.0	64.4	207.9	51.0
2052	29.8	36.6	60.0	66.7	139.2	57.1
2053	29.3	37.1	60.9	68.8	68.5	63.0
2054	28.8	37.6	61.8	70.7	-4.3	68.9
2055	28.2	38.1	62.7	72.5	-78.9	74.9
2056	27.7	38.5	63.5	74.2	-155.3	80.7
2057	27.2	38.8	64.2	75.8	-233.2	86.6
2058	26.7	39.0	64.9	77.2	-312.7	92.4
2059	26.2	39.2	65.6	78.6	-393.5	98.2
2060	25.7	39.3	66.2	79.8	-475.6	103.9
2061	25.2	39.4	66.7	80.9	-558.8	109.7
2062	24.8	39.4	67.2	81.9	-643.1	115.3
2063	24.3	39.4	67.7	82.8	-728.4	121.0
2064	23.8	39.3	68.2	83.7	-814.4	126.6
2065	23.4	39.2	68.6	84.4	-901.2	132.1
2066	22.9	39.0	68.9	85.0	-988.7	137.5
2067	22.5	38.8	69.2	85.5	-1,076.6	142.9
2068	22.1	38.5	69.5	85.9	-1,165.0	148.3
2069	21.7	38.2	69.7	86.3	-1,253.8	153.5
2070	21.2	37.9	69.9	86.5	-1,342.9	158.7
2071	20.8	37.5	70.0	86.7	-1,432.1	163.9
2072	20.4	37.2	70.1	86.8	-1,521.5	168.9
2073	20.0	36.7	70.2	86.9	-1,610.9	174.0
2074	19.7	36.3	70.2	86.9	-1,700.3	178.9
2075	19.3	35.9	70.3	86.8	-1,789.7	183.8
2076	18.9	35.4	70.3	86.7	-1,878.9	188.7
2077	18.5	34.9	70.2	86.6	-1,968.0	193.5
2078	18.2	34.4	70.2	86.4	-2,056.9	198.2
2079	17.8	33.9	70.1	86.2	-2,145.5	203.0

Based on the Intermediate Assumptions of the 2004 Trustees Report
With Ultimate Real Trust Fund Interest Rate of 3.0%
  Benefit Offset Real Yield Rate Set at 3.0%
  Benefit Offset Real Discount Rate Set at 3.0%

Office of the Actuary
Social Security Administration
February 7, 2005

Table 1b.c IA Contributions, IA Offset, Other Changes, & Budget Effect

	Base Individual Account Contribution Rate: 2.0%		Benefit Offset: 100.0%			
	Amount(%)		Other	Change in		
	Contributed to	Offset to	Changes	Annual	Debt Held	Annual
	IA by Fed Gov:	OASDI Ben	in OASDI	Unified Budget	by Public	Unified Budget
	100	From IA	Cash flow	Cashflow	(EOY)	Balance
Year	(1)	(2)	(3)	(4)=(3)+(2)-(1)	(6)	(7)
			(Billions of Constant 2004 $)			
2005	0.0	0.0	0.0	0.0	0.0	0.0
2006	0.0	0.0	0.0	0.0	0.0	0.0
2007	58.4	0.0	0.0	-58.4	59.1	-60.0
2008	60.7	0.0	0.0	-60.7	122.1	-65.5
2009	62.9	0.0	0.0	-62.9	189.1	-71.3
2010	65.1	0.0	0.0	-65.1	260.1	-77.3
2011	67.1	0.0	0.0	-67.1	335.3	-83.4
2012	69.0	0.4	0.1	-68.5	414.1	-89.1
2013	70.7	0.9	0.5	-69.4	495.9	-94.5
2014	72.5	1.5	0.9	-70.0	581.0	-100.0
2015	74.1	2.2	1.6	-70.3	669.0	-105.3
2016	75.7	3.0	2.5	-70.1	759.7	-110.4
2017	77.2	4.0	3.7	-69.5	852.7	-115.3
2018	78.6	5.0	5.1	-68.5	947.8	-120.0
2019	80.0	6.3	6.8	-67.0	1,044.2	-123.9
2020	81.4	7.6	8.8	-65.0	1,141.4	-127.4
2021	82.7	9.1	11.2	-62.4	1,239.0	-130.5
2022	84.0	10.7	13.9	-59.4	1,336.5	-133.0
2023	85.3	12.5	16.9	-55.8	1,433.2	-135.0
2024	86.5	14.5	20.4	-51.7	1,528.6	-136.3
2025	87.7	16.6	24.2	-46.8	1,622.0	-136.9
2026	88.8	18.9	28.5	-41.4	1,712.7	-136.7
2027	90.0	21.4	33.2	-35.4	1,800.0	-135.8
2028	91.2	24.1	38.3	-28.8	1,883.3	-134.1
2029	92.4	27.0	43.8	-21.6	1,961.7	-131.5
2030	93.7	30.1	49.8	-13.8	2,034.6	-128.1
2031	94.9	33.3	56.2	-5.4	2,101.1	-123.6
2032	96.2	36.8	63.1	3.7	2,160.4	-118.1
2033	97.6	40.5	70.5	13.4	2,211.6	-111.6
2034	98.9	44.4	78.2	23.7	2,253.9	-104.0
2035	100.3	48.5	86.4	34.6	2,286.4	-95.2
2036	101.7	52.8	95.0	46.2	2,308.1	-85.2
2037	103.2	57.4	103.8	58.0	2,318.5	-74.2
2038	104.6	62.2	112.6	70.2	2,316.9	-62.4
2039	106.1	67.2	121.5	82.6	2,302.5	-49.5
2040	107.6	72.4	130.5	95.4	2,274.8	-35.5
2041	109.1	77.9	139.7	108.5	2,232.9	-20.3
2042	110.6	83.7	149.1	122.1	2,175.9	-3.9
2043	112.2	89.6	158.6	136.0	2,103.2	13.7
2044	113.7	95.8	168.2	150.3	2,013.7	32.6
2045	115.3	102.3	178.0	165.0	1,906.7	52.9
2046	116.9	109.0	188.0	180.1	1,781.1	74.7
2047	118.5	116.0	198.2	195.7	1,635.9	98.0
2048	119.9	123.0	208.5	211.6	1,470.2	122.8
2049	121.2	130.3	219.0	228.1	1,282.9	149.3
2050	122.6	138.3	229.8	245.5	1,072.2	178.2
2051	124.0	146.2	240.9	263.0	837.4	208.4
2052	125.4	153.8	252.3	280.7	577.7	240.2
2053	126.9	160.9	264.0	298.0	292.6	273.1
2054	128.3	168.0	275.9	315.5	-18.9	307.7
2055	129.8	175.1	288.1	333.3	-357.7	344.1
2056	131.3	182.1	300.5	351.3	-725.0	382.3
2057	132.7	189.0	313.2	369.5	-1,121.8	422.3
2058	134.2	196.0	326.1	387.9	-1,549.1	464.3
2059	135.6	202.8	339.2	406.4	-2,008.0	508.1
2060	137.0	209.6	352.5	425.1	-2,499.7	553.9
2061	138.5	216.3	366.1	443.9	-3,025.2	601.8
2062	139.9	222.8	380.1	463.0	-3,585.8	652.0
2063	141.4	229.3	394.4	482.3	-4,182.9	704.4
2064	142.9	235.7	408.9	501.7	-4,817.6	759.0
2065	144.4	242.0	423.5	521.1	-5,491.0	815.8
2066	145.9	248.1	438.4	540.6	-6,204.3	875.0
2067	147.5	254.1	453.6	560.3	-6,959.1	936.6
2068	149.0	260.0	469.1	580.1	-7,756.6	1,000.7
2069	150.6	265.8	484.7	599.9	-8,598.1	1,067.4
2070	152.1	271.4	500.5	619.7	-9,485.0	1,136.7
2071	153.7	276.9	516.5	639.7	-10,418.8	1,208.7
2072	155.3	282.3	532.8	659.8	-11,400.9	1,283.6
2073	156.9	287.5	549.4	680.0	-12,433.1	1,361.4
2074	158.5	292.6	566.2	700.4	-13,516.9	1,442.2
2075	160.1	297.7	583.3	720.9	-14,654.0	1,526.2
2076	161.7	302.6	600.7	741.6	-15,846.3	1,613.5
2077	163.4	307.4	618.4	762.4	-17,095.4	1,704.1
2078	165.0	312.1	636.5	783.6	-18,403.6	1,798.4
2079	166.6	316.8	654.9	805.1	-19,772.8	1,896.5

Based on the Intermediate Assumptions of the 2004 Trustees Report
With Ultimate Real Trust Fund Interest Rate of 3.0%
   Benefit Offset Real Yield Rate Set at 3.0%
   Benefit Offset Real Discount Rate Set at 3.0%

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Table 1c OASDI Cash Flow to General Fund of the Treasury--- Proposal vs. Theoretical OASDI

	Proposal				Theoretical Social Security with PAYGO Transfers			
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year [1]				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year [1]			
	Percent	Billions of Dollars			Percent	Billions of Dollars		
Year	of Payroll	Current $	1/1/2004 PV	Const 2004 $	of Payroll	Current $	1/1/2004 PV	Const 2004 $
2004	1.4	65	63	65	1.4	65	63	65
2005	1.9	89	82	87	1.9	89	82	87
2006	1.9	97	85	94	1.9	97	85	94
2007	0.8	43	36	41	2.0	105	87	99
2008	0.8	43	34	39	2.0	109	86	100
2009	0.6	34	26	31	1.8	105	78	93
2010	0.5	28	20	24	1.7	103	73	89
2011	0.3	22	14	18	1.6	101	67	85
2012	0.1	8	5	7	1.4	91	58	75
2013	-0.1	-8	-5	-7	1.1	79	47	63
2014	-0.3	-25	-14	-20	0.9	65	37	50
2015	-0.6	-45	-24	-34	0.6	48	25	36
2016	-0.9	-68	-35	-50	0.3	27	14	20
2017	-1.1	-93	-45	-67	0.0	4	2	3
2018	-1.4	-120	-54	-84	-0.3	-22	-10	-15
2019	-1.7	-150	-64	-102	-0.6	-51	-22	-35
2020	-2.0	-183	-74	-120	-0.9	-84	-34	-55
2021	-2.2	-216	-82	-139	-1.2	-119	-45	-76
2022	-2.5	-251	-90	-156	-1.5	-155	-56	-97
2023	-2.7	-287	-97	-174	-1.8	-195	-66	-118
2024	-2.9	-324	-104	-191	-2.1	-236	-76	-139
2025	-3.2	-361	-109	-207	-2.4	-279	-85	-160
2026	-3.3	-399	-114	-223	-2.7	-324	-93	-181
2027	-3.5	-436	-118	-237	-3.0	-370	-100	-201
2028	-3.6	-472	-120	-249	-3.2	-416	-106	-220
2029	-3.7	-505	-122	-260	-3.4	-463	-112	-238
2030	-3.8	-538	-122	-269	-3.6	-510	-116	-255
2031	-3.9	-569	-122	-277	-3.8	-558	-120	-271
2032	-3.9	-599	-122	-283	-4.0	-606	-123	-287
2033	-3.9	-625	-120	-288	-4.1	-653	-125	-300
2034	-3.9	-647	-117	-290	-4.2	-699	-127	-313
2035	-3.9	-666	-114	-290	-4.3	-744	-127	-324
2036	-3.8	-681	-110	-288	-4.4	-788	-127	-334
2037	-3.7	-692	-106	-285	-4.4	-831	-127	-343
2038	-3.6	-700	-101	-280	-4.5	-873	-126	-350
2039	-3.5	-704	-96	-275	-4.5	-915	-124	-357
2040	-3.3	-707	-91	-268	-4.5	-956	-123	-363
2041	-3.2	-708	-86	-261	-4.5	-1,000	-121	-369
2042	-3.1	-707	-81	-254	-4.5	-1,045	-120	-375
2043	-2.9	-704	-76	-246	-4.5	-1,091	-118	-381
2044	-2.8	-699	-71	-237	-4.5	-1,139	-116	-387
2045	-2.6	-692	-67	-229	-4.5	-1,189	-115	-393
2046	-2.5	-684	-62	-220	-4.6	-1,241	-113	-399
2047	-2.4	-674	-58	-211	-4.6	-1,297	-112	-405
2048	-2.2	-662	-54	-201	-4.6	-1,355	-110	-412
2049	-2.1	-649	-50	-192	-4.6	-1,417	-109	-419
2050	-2.0	-633	-46	-182	-4.6	-1,483	-108	-427
2051	-1.9	-619	-42	-173	-4.6	-1,555	-107	-435
2052	-1.7	-607	-39	-165	-4.7	-1,634	-106	-445
2053	-1.6	-595	-36	-158	-4.7	-1,717	-105	-455
2054	-1.5	-584	-34	-151	-4.8	-1,805	-104	-465
2055	-1.5	-573	-31	-144	-4.8	-1,899	-104	-476
2056	-1.4	-562	-29	-137	-4.9	-1,999	-103	-487
2057	-1.3	-551	-27	-131	-4.9	-2,104	-102	-499
2058	-1.2	-537	-25	-124	-5.0	-2,214	-102	-511
2059	-1.1	-522	-23	-117	-5.0	-2,328	-101	-522
2060	-1.0	-505	-21	-110	-5.1	-2,447	-100	-534
2061	-1.0	-489	-19	-104	-5.1	-2,574	-100	-547
2062	-0.9	-473	-17	-98	-5.2	-2,709	-99	-560
2063	-0.8	-460	-16	-92	-5.2	-2,854	-98	-574
2064	-0.8	-442	-14	-86	-5.3	-3,003	-98	-587
2065	-0.7	-422	-13	-80	-5.3	-3,157	-97	-600
2066	-0.7	-402	-12	-74	-5.4	-3,319	-96	-614
2067	-0.6	-381	-10	-69	-5.4	-3,489	-96	-628
2068	-0.5	-357	-9	-63	-5.5	-3,665	-95	-641
2069	-0.5	-331	-8	-56	-5.5	-3,847	-94	-655
2070	-0.4	-302	-7	-50	-5.6	-4,037	-93	-669
2071	-0.4	-272	-6	-44	-5.6	-4,235	-92	-682
2072	-0.3	-240	-5	-38	-5.7	-4,442	-92	-696
2073	-0.3	-207	-4	-32	-5.7	-4,660	-91	-710
2074	-0.2	-173	-3	-26	-5.7	-4,888	-90	-725
2075	-0.2	-138	-2	-20	-5.8	-5,127	-89	-740
2076	-0.1	-102	-2	-14	-5.8	-5,377	-88	-755
2077	-0.1	-64	-1	-9	-5.9	-5,640	-87	-770
2078	0.0	-23	0	-3	-5.9	-5,915	-87	-785
2079	0.0	19	0	2	-6.0	-6,203	-86	-801
Total 2004-78			-3,237				-5,225	

[1] Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers specified in the proposal or in the theoretical plan (PAYGO Transfers)

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Table 1d Change in Long-Range Trust Fund Assets / Unfunded Obligation

	Base Individual Account Contribution Rate: 2.0%		Benefit Offset: 100.0%			

Year	Present Law OASDI Trust Fund Assets or if Negative, Unfunded Obligation Through EOY (1)	Basic Changes in OASDI Cashflow (2)	Amount(%) Contributed to IA by Fed Gov: 100 (3)	Offset to OASDI Benefits from IA (4)	General Fund Transfers (5)	Total Change Through EOY (6)=(2)-(3)+(4)+(5)	Proposal OASDI Trust Fund Assets/ Unfunded Obligation Through EOY (7)
					(Billions of $, Present Value on 1-1-2004)		
2005	1,674.6	0.0	0.0	0.0	0.0	0.0	1,674.6
2006	1,759.0	0.0	0.0	0.0	0.0	0.0	1,759.0
2007	1,845.5	0.0	51.3	0.0	0.0	-51.3	1,794.2
2008	1,930.8	0.0	52.0	0.0	0.0	-103.3	1,827.5
2009	2,008.4	0.0	52.5	0.0	0.0	-155.8	1,852.7
2010	2,080.8	0.0	52.9	0.0	0.0	-208.6	1,872.2
2011	2,148.0	0.0	53.1	0.0	0.0	-261.7	1,886.3
2012	2,205.6	0.1	53.2	0.3	0.0	-314.5	1,891.1
2013	2,252.4	0.3	53.0	0.7	0.0	-366.4	1,886.0
2014	2,289.0	0.7	52.8	1.1	0.0	-417.5	1,871.5
2015	2,314.3	1.2	52.5	1.6	0.0	-467.3	1,847.1
2016	2,327.9	1.8	52.1	2.1	0.0	-515.6	1,812.4
2017	2,329.7	2.5	51.6	2.7	0.0	-562.1	1,767.6
2018	2,319.7	3.3	51.1	3.3	0.0	-606.6	1,713.1
2019	2,297.6	4.3	50.5	3.9	0.0	-648.9	1,648.8
2020	2,263.7	5.4	49.8	4.6	0.0	-688.7	1,575.0
2021	2,218.5	6.6	49.2	5.4	0.0	-725.9	1,492.6
2022	2,162.6	8.0	48.5	6.2	0.0	-760.2	1,402.3
2023	2,096.4	9.5	47.8	7.0	0.0	-791.6	1,304.8
2024	2,020.7	11.1	47.1	7.9	0.0	-819.8	1,201.0
2025	1,936.1	12.8	46.3	8.8	0.0	-844.6	1,091.5
2026	1,843.3	14.6	45.5	9.7	0.0	-866.0	977.4
2027	1,743.3	16.5	44.8	10.7	0.0	-883.7	859.6
2028	1,637.0	18.5	44.1	11.7	0.0	-897.8	739.2
2029	1,525.4	20.6	43.4	12.7	16.0	-908.1	617.3
2030	1,409.4	22.7	42.7	13.7	113.4	-898.6	510.8
2031	1,289.5	24.9	42.0	14.7	114.7	-787.8	501.7
2032	1,166.5	27.1	41.3	15.8	112.9	-671.7	494.8
2033	1,041.2	29.4	40.7	16.9	108.1	-553.5	487.8
2034	914.6	31.7	40.0	18.0	103.5	-436.0	478.6
2035	787.2	34.0	39.4	19.1	101.9	-319.1	468.1
2036	659.9	36.3	38.8	20.2	94.6	-199.9	460.0
2037	533.0	38.4	38.2	21.3	90.3	-84.1	448.9
2038	407.2	40.5	37.6	22.4	86.1	31.2	438.3
2039	282.7	42.4	37.0	23.5	79.3	145.9	428.6
2040	159.8	44.2	36.5	24.6	75.4	257.2	417.0
2041	38.4	46.0	35.9	25.6	71.6	368.1	406.5
2042	-81.4	47.6	35.3	26.7	67.8	478.4	397.0
2043	-199.5	49.2	34.8	27.8	61.7	588.2	388.6
2044	-316.0	50.7	34.3	28.9	55.6	694.8	378.8
2045	-430.8	52.0	33.7	29.9	54.7	798.4	367.6
2046	-544.1	53.4	33.2	30.9	49.0	904.0	360.0
2047	-655.8	54.6	32.6	32.0	43.4	1,006.7	350.9
2048	-766.0	55.8	32.1	32.9	42.7	1,106.4	340.4
2049	-874.8	56.9	31.5	33.8	37.3	1,208.0	333.2
2050	-982.4	58.0	30.9	34.9	34.4	1,307.0	324.6
2051	-1,089.0	59.0	30.4	35.8	31.6	1,405.6	316.5
2052	-1,194.8	60.0	29.8	36.6	28.8	1,503.6	308.8
2053	-1,299.7	60.9	29.3	37.1	26.2	1,601.0	301.3
2054	-1,403.9	61.8	28.8	37.6	25.8	1,697.6	293.7
2055	-1,507.4	62.7	28.2	38.1	21.1	1,795.7	288.2
2056	-1,610.3	63.5	27.7	38.5	20.8	1,890.7	280.4
2057	-1,712.7	64.2	27.2	38.8	20.4	1,987.1	274.4
2058	-1,814.4	64.9	26.7	39.0	16.1	2,084.5	270.1
2059	-1,915.3	65.6	26.2	39.2	13.8	2,178.9	263.6
2060	-2,015.6	66.2	25.7	39.3	13.6	2,272.3	256.7
2061	-2,115.1	66.7	25.2	39.4	13.4	2,366.5	251.4
2062	-2,214.1	67.2	24.8	39.4	9.4	2,461.6	247.5
2063	-2,312.6	67.7	24.3	39.4	9.2	2,553.6	241.0
2064	-2,410.5	68.2	23.8	39.3	9.1	2,646.3	235.8
2065	-2,507.7	68.6	23.4	39.2	7.1	2,739.6	231.9
2066	-2,604.1	68.9	22.9	39.0	5.3	2,831.5	227.4
2067	-2,699.9	69.2	22.5	38.8	5.2	2,922.1	222.2
2068	-2,794.9	69.5	22.1	38.5	3.4	3,013.0	218.1
2069	-2,889.1	69.7	21.7	38.2	1.7	3,102.5	213.4
2070	-2,982.5	69.9	21.2	37.9	1.6	3,190.6	208.1
2071	-3,075.0	70.0	20.8	37.5	1.6	3,278.8	203.8
2072	-3,166.6	70.1	20.4	37.2	0.0	3,367.1	200.5
2073	-3,257.4	70.2	20.0	36.7	0.0	3,453.8	196.4
2074	-3,347.3	70.2	19.7	36.3	0.0	3,540.6	193.2
2075	-3,436.4	70.3	19.3	35.9	0.0	3,627.2	190.8
2076	-3,524.7	70.3	18.9	35.4	0.0	3,713.8	189.2
2077	-3,612.1	70.2	18.5	34.9	0.0	3,800.2	188.2
2078	-3,698.7	70.2	18.2	34.4	0.0	3,886.5	187.8
Total 2004-78		2,909.1	2,581.3	1,671.1	1,899.4		

Based on the Intermediate Assumptions of the 2004 Trustees Report
With Ultimate Real Trust Fund Interest Rate of 3.0%
  Benefit Offset Real Yield Rate Set at 3.0%
  Benefit Offset Real Discount Rate Set at 3.0%

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Table 2 Pozen Proposal: PIA start 2012: IA 2%to $3K start 2007 <55 on 1-1-05

	Base IA Cont Rate: 2.0% to $3,000 (CPI Indexed) Benefit Offset: 100.0%
	Assumed Participation in Voluntary IA: 66.7%

						"Effective"			
Tax IA like benefits	Ultimate Real Trust Fund Yield Rate of 3.00					Change	"Effective"	General	"Effective"
General Revenue	Benefit Offset Real Yield Rate Set at 3.00					in OASDI	OASDI	Revenue	IA
Transfers	Benefit Offset Real Discount Rate Set at 3.00					Contribution	Contribution	Transfer	Contribution
As Needed	Cost	Income	Annual	TFR		Rate	Rate[2]	Solvency	Rate
Year	Rate[1]	Rate	Balance	1-1-yr					
2004	11.07	12.71	1.64	306	Assess		12.40		0.00
2005	10.87	12.73	1.86	325	IA for 3%		12.40		0.00
2006	10.77	12.73	1.97	347	accumulation		12.40		0.00
2007	10.75	11.57	0.82	367	at early	-1.180	11.22		1.18
2008	10.80	11.59	0.79	374	death	-0.021	11.20		1.20
2009	10.95	11.56	0.61	378		-0.019	11.18		1.22
2010	11.08	11.56	0.48	381		-0.018	11.16		1.24
2011	11.25	11.60	0.35	383		-0.017	11.14		1.26
2012	11.48	11.61	0.13	382		-0.015	11.13		1.27
2013	11.74	11.63	-0.11	379		-0.012	11.12		1.28
2014	11.97	11.63	-0.34	375		-0.010	11.11		1.29
2015	12.23	11.64	-0.59	368		-0.008	11.10		1.30
2016	12.51	11.65	-0.86	360		-0.007	11.09		1.31
2017	12.79	11.67	-1.12	350		-0.005	11.09		1.31
2018	13.07	11.68	-1.39	339		-0.004	11.08		1.32
2019	13.36	11.70	-1.67	326		-0.004	11.08		1.32
2020	13.66	11.71	-1.95	312		-0.003	11.08		1.32
2021	13.94	11.72	-2.21	296		-0.003	11.07		1.33
2022	14.20	11.74	-2.46	280		-0.002	11.07		1.33
2023	14.46	11.75	-2.71	263		-0.002	11.07		1.33
2024	14.70	11.77	-2.93	244		-0.002	11.07		1.33
2025	14.92	11.78	-3.14	225		0.000	11.07		1.33
2026	15.13	11.80	-3.33	205		0.000	11.07		1.33
2027	15.30	11.81	-3.50	185		0.000	11.07		1.33
2028	15.45	11.82	-3.63	163		0.000	11.07		1.33
2029	15.57	11.83	-3.74	142		0.000	11.07		1.33
2030	15.66	12.34	-3.32	120		0.500	11.57	0.5	1.33
2031	15.73	15.45	-0.28	100		3.100	14.67	3.6	1.33
2032	15.77	15.56	-0.22	100		0.100	14.77	3.7	1.33
2033	15.78	15.56	-0.22	100		0.000	14.77	3.7	1.33
2034	15.76	15.46	-0.30	100		-0.100	14.67	3.6	1.33
2035	15.72	15.47	-0.25	100		0.000	14.67	3.6	1.33
2036	15.64	15.27	-0.38	100		-0.200	14.47	3.4	1.33
2037	15.55	15.17	-0.38	100		-0.100	14.37	3.3	1.33
2038	15.44	15.06	-0.37	100		-0.100	14.27	3.2	1.33
2039	15.31	14.96	-0.35	100		-0.100	14.17	3.1	1.33
2040	15.18	14.86	-0.33	100		-0.100	14.07	3.0	1.33
2041	15.05	14.66	-0.39	100		-0.200	13.87	2.8	1.33
2042	14.92	14.55	-0.36	100		-0.100	13.77	2.7	1.33
2043	14.78	14.45	-0.33	100		-0.100	13.67	2.6	1.33
2044	14.64	14.24	-0.39	100		-0.200	13.47	2.4	1.33
2045	14.50	14.14	-0.36	100		-0.100	13.37	2.3	1.33
2046	14.36	14.04	-0.32	100		-0.100	13.27	2.2	1.33
2047	14.22	13.83	-0.39	100		-0.200	13.07	2.0	1.33
2048	14.09	13.73	-0.35	100		-0.098	12.97	1.9	1.33
2049	13.96	13.63	-0.33	100		-0.098	12.87	1.8	1.33
2050	13.83	13.43	-0.40	100		-0.198	12.67	1.6	1.33
2051	13.71	13.43	-0.28	100		0.002	12.68	1.6	1.32
2052	13.60	13.23	-0.37	100		-0.198	12.48	1.4	1.32
2053	13.51	13.23	-0.27	100		0.002	12.48	1.4	1.32
2054	13.41	13.13	-0.28	100		-0.098	12.38	1.3	1.32
2055	13.33	12.93	-0.39	100		-0.198	12.18	1.1	1.32
2056	13.25	12.94	-0.31	100		0.002	12.19	1.1	1.31
2057	13.17	12.94	-0.23	100		0.002	12.19	1.1	1.31
2058	13.09	12.84	-0.25	100		-0.097	12.09	1.0	1.31
2059	13.01	12.74	-0.27	100		-0.097	12.00	0.9	1.30
2060	12.94	12.64	-0.30	100		-0.097	11.90	0.8	1.30
2061	12.87	12.54	-0.33	100		-0.097	11.80	0.7	1.30
2062	12.80	12.55	-0.26	100		0.003	11.80	0.7	1.30
2063	12.75	12.45	-0.30	100		-0.097	11.71	0.6	1.29
2064	12.69	12.45	-0.24	100		0.003	11.71	0.6	1.29
2065	12.63	12.35	-0.28	100		-0.097	11.61	0.5	1.29
2066	12.57	12.35	-0.22	100		0.003	11.62	0.5	1.28
2067	12.51	12.25	-0.26	100		-0.097	11.52	0.4	1.28
2068	12.46	12.16	-0.30	100		-0.097	11.42	0.3	1.28
2069	12.40	12.16	-0.24	100		0.003	11.43	0.3	1.27
2070	12.35	12.06	-0.29	100		-0.097	11.33	0.2	1.27
2071	12.29	12.06	-0.23	100		0.003	11.33	0.2	1.27
2072	12.24	11.96	-0.28	100		-0.097	11.24	0.1	1.26
2073	12.19	11.97	-0.23	100		0.003	11.24	0.1	1.26
2074	12.14	11.87	-0.28	100		-0.097	11.14		1.26
2075	12.10	11.87	-0.23	100		0.003	11.15		1.25
2076	12.06	11.87	-0.19	100		0.003	11.15		1.25
2077	12.02	11.87	-0.14	100		0.003	11.15		1.25
2078	11.97	11.88	-0.10	101		0.004	11.16		1.24
2079	11.94	11.88	-0.06	102		0.004	11.16		1.24

		Summarized OASDI		
			Actuarial	Change in
	Cost Rate	Income Rate	Balance	Actuarial Balance
2004 - 2078	13.46	13.46	0.00	1.89

[1] Net of Benefit Offset

[2] Including General Revenue Transfer   *Based on Intermediate Assumptions of the 2004 Trustees Report With Ultimate Real Trust Fund Interest Rate of 3.00*

Table 2a Proposal GF Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets

Calendar Year	Proposal General Fund Transfers				Total OASDI Trust Fund Assets at End of Year	Expected Individual Account Assets[1] at End of Year	GDP	Theoretical Social Security[2] with Borrowing Authority Net OASDI TF Assets End of Year	
	Annual Transfers			Accumulated					
	Present Value as of 1-1-2004	Percent of Tax Payroll	Annual Transfers	as of End of Year	Assets at End of Year	Assets[1] at End of Year		Without GF Transfer	With GF Transfer (amount for Prop)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Billions		Billions of Constant 2004$		Billions of Constant 2004 Dollars				
2004	0.0	0.0	0.0	0	1,684	0	11,544	1,684	1,684
2005	0.0	0.0	0.0	0	1,840	0	11,911	1,840	1,840
2006	0.0	0.0	0.0	0	1,998	0	12,246	1,998	1,998
2007	0.0	0.0	0.0	0	2,096	58	12,562	2,156	2,156
2008	0.0	0.0	0.0	0	2,192	120	12,870	2,315	2,315
2009	0.0	0.0	0.0	0	2,281	186	13,171	2,473	2,473
2010	0.0	0.0	0.0	0	2,367	255	13,466	2,631	2,631
2011	0.0	0.0	0.0	0	2,450	328	13,752	2,790	2,790
2012	0.0	0.0	0.0	0	2,525	405	14,024	2,944	2,944
2013	0.0	0.0	0.0	0	2,588	485	14,285	3,091	3,091
2014	0.0	0.0	0.0	0	2,641	568	14,547	3,230	3,230
2015	0.0	0.0	0.0	0	2,681	654	14,804	3,360	3,360
2016	0.0	0.0	0.0	0	2,708	744	15,061	3,478	3,478
2017	0.0	0.0	0.0	0	2,719	837	15,322	3,584	3,584
2018	0.0	0.0	0.0	0	2,714	933	15,586	3,675	3,675
2019	0.0	0.0	0.0	0	2,691	1,032	15,842	3,750	3,750
2020	0.0	0.0	0.0	0	2,648	1,133	16,100	3,805	3,805
2021	0.0	0.0	0.0	0	2,584	1,238	16,354	3,841	3,841
2022	0.0	0.0	0.0	0	2,501	1,345	16,610	3,857	3,857
2023	0.0	0.0	0.0	0	2,397	1,454	16,861	3,851	3,851
2024	0.0	0.0	0.0	0	2,272	1,566	17,117	3,823	3,823
2025	0.0	0.0	0.0	0	2,127	1,679	17,372	3,773	3,773
2026	0.0	0.0	0.0	0	1,961	1,795	17,634	3,700	3,700
2027	0.0	0.0	0.0	0	1,777	1,913	17,903	3,604	3,604
2028	0.0	0.0	0.0	0	1,573	2,033	18,174	3,486	3,486
2029	0.0	0.0	0.0	0	1,353	2,154	18,451	3,346	3,346
2030	16.0	0.5	35.1	35	1,153	2,277	18,733	3,184	3,219
2031	113.4	3.6	256.4	293	1,166	2,402	19,022	3,000	3,293
2032	114.7	3.7	267.1	568	1,184	2,527	19,319	2,796	3,364
2033	112.9	3.7	270.8	856	1,202	2,655	19,622	2,570	3,427
2034	108.1	3.6	267.1	1,149	1,214	2,783	19,929	2,325	3,474
2035	106.4	3.6	270.8	1,454	1,230	2,913	20,243	2,062	3,516
2036	98.9	3.4	259.4	1,757	1,237	3,043	20,564	1,780	3,537
2037	94.6	3.3	255.3	2,065	1,243	3,174	20,892	1,481	3,546
2038	90.3	3.2	251.1	2,378	1,249	3,306	21,226	1,165	3,544
2039	86.1	3.1	246.7	2,696	1,256	3,438	21,562	833	3,530
2040	82.0	3.0	242.1	3,019	1,266	3,570	21,904	485	3,504
2041	75.4	2.8	229.1	3,339	1,270	3,703	22,252	120	3,459
2042	71.6	2.7	224.0	3,663	1,276	3,835	22,605	-262	3,401
2043	67.8	2.6	218.7	3,992	1,285	3,967	22,961	-662	3,330
2044	61.7	2.4	204.7	4,316	1,288	4,099	23,322	-1,080	3,237
2045	58.2	2.3	198.9	4,645	1,294	4,230	23,687	-1,516	3,128
2046	54.7	2.2	192.9	4,977	1,303	4,360	24,055	-1,972	3,005
2047	49.0	2.0	177.7	5,304	1,306	4,488	24,426	-2,449	2,855
2048	45.8	1.9	171.1	5,634	1,312	4,616	24,799	-2,946	2,688
2049	42.7	1.8	164.2	5,967	1,319	4,741	25,174	-3,465	2,502
2050	37.3	1.6	147.9	6,294	1,320	4,865	25,552	-4,008	2,286
2051	36.7	1.6	149.9	6,633	1,332	4,986	25,936	-4,577	2,056
2052	31.6	1.4	132.8	6,965	1,335	5,105	26,324	-5,172	1,793
2053	31.1	1.4	134.6	7,308	1,347	5,222	26,721	-5,795	1,514
2054	28.4	1.3	126.6	7,654	1,358	5,337	27,123	-6,447	1,208
2055	23.6	1.1	108.5	7,993	1,358	5,451	27,528	-7,130	863
2056	23.2	1.1	110.0	8,342	1,366	5,564	27,939	-7,845	497
2057	22.8	1.1	111.4	8,704	1,382	5,674	28,354	-8,594	110
2058	20.4	1.0	102.6	9,068	1,395	5,783	28,775	-9,378	-310
2059	18.1	0.9	93.5	9,433	1,407	5,890	29,204	-10,196	-763
2060	15.8	0.8	84.2	9,800	1,416	5,996	29,639	-11,052	-1,252
2061	13.6	0.7	74.6	10,169	1,422	6,100	30,078	-11,946	-1,777
2062	13.4	0.7	75.6	10,550	1,434	6,202	30,526	-12,880	-2,330
2063	11.3	0.6	65.6	10,932	1,442	6,303	30,978	-13,857	-2,925
2064	11.1	0.6	66.5	11,326	1,457	6,403	31,438	-14,876	-3,550
2065	9.1	0.5	56.1	11,722	1,468	6,502	31,906	-15,940	-4,218
2066	8.9	0.5	56.9	12,131	1,486	6,599	32,379	-17,050	-4,919
2067	7.0	0.4	46.1	12,541	1,498	6,695	32,861	-18,208	-5,667
2068	5.2	0.3	35.0	12,952	1,506	6,790	33,359	-19,414	-6,462
2069	5.1	0.3	35.5	13,376	1,520	6,884	33,859	-20,670	-7,294
2070	3.3	0.2	24.0	13,801	1,530	6,977	34,366	-21,978	-8,177
2071	3.3	0.2	24.3	14,240	1,545	7,070	34,882	-23,340	-9,100
2072	1.6	0.1	12.3	14,679	1,556	7,162	35,404	-24,756	-10,077
2073	1.6	0.1	12.5	15,132	1,572	7,253	35,931	-26,230	-11,098
2074	0.0	0.0	0.0	15,586	1,582	7,344	36,464	-27,762	-12,177
2075	0.0	0.0	0.0	16,053	1,598	7,434	37,006	-29,356	-13,303
2076	0.0	0.0	0.0	16,535	1,620	7,524	37,555	-31,014	-14,479
2077	0.0	0.0	0.0	17,031	1,648	7,614	38,112	-32,736	-15,705
2078	0.0	0.0	0.0	17,542	1,683	7,704	38,677	-34,527	-16,985
2079	0.0	0.0	0.0	18,068	1,724	7,794	39,245	-36,387	-18,319
Total	1,933.7								

[1] Including annuity assets, assuming all annuitize fully.

[2] Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit borrowing from the General Fund of the Treasury.

Office of the Actuary
Social Security Administration
February 7, 2005
Based on Intermediate Assumptions of the 2004 Trustees Report

Table 2b IA Contributions, IA Offset, Other Changes, & Budget Effect

Base Individual Account Contribution Rate: 2.0% Benefit Offset: 100.0%					
Amount(%) Contributed to IA by Fed Gov: **100** (1)	Offset to OASDI Ben From IA (2)	Other Changes in OASDI Cash flow (3)	Change in Annual Unified Budget Cashflow (4)=(3)+(2)-(1)	Debt Held by Public (EOY) (6)	Annual Unified Budget Balance (7)
Year			*(Billions of $, Present Value on 1-1-2004)*		
2005	0.0	0.0	0.0	0.0	0.0	0.0
2006	0.0	0.0	0.0	0.0	0.0	0.0
2007	51.3	0.0	0.0	-51.3	52.7	-52.7
2008	52.0	0.0	0.0	-52.0	106.1	-56.1
2009	52.5	0.0	0.0	-52.5	160.0	-59.5
2010	52.9	0.0	0.0	-52.9	214.4	-62.8
2011	53.1	0.0	0.0	-53.1	269.0	-66.0
2012	53.2	0.3	0.1	-52.7	323.2	-68.6
2013	53.0	0.7	0.3	-52.0	376.7	-70.8
2014	52.8	1.1	0.7	-51.0	429.2	-72.8
2015	52.5	1.6	1.2	-49.8	480.5	-74.6
2016	52.1	2.1	1.8	-48.3	530.2	-76.0
2017	51.6	2.7	2.5	-46.5	578.2	-77.1
2018	51.1	3.3	3.3	-44.5	624.1	-77.9
2019	50.5	3.9	4.3	-42.2	667.5	-78.1
2020	49.8	4.6	5.4	-39.8	708.4	-78.0
2021	49.2	5.4	6.6	-37.1	746.6	-77.6
2022	48.5	6.2	8.0	-34.3	781.9	-76.8
2023	47.8	7.0	9.5	-31.3	814.1	-75.6
2024	47.1	7.9	11.1	-28.1	843.0	-74.2
2025	46.3	8.8	12.8	-24.8	868.5	-72.3
2026	45.5	9.7	14.6	-21.3	890.4	-70.2
2027	44.8	10.7	16.5	-17.7	908.6	-67.7
2028	44.1	11.7	18.4	-14.0	923.0	-64.9
2029	43.4	12.7	20.5	-10.2	933.5	-61.8
2030	42.7	13.7	22.6	-6.4	940.1	-58.5
2031	42.0	14.7	24.8	-2.5	942.7	-54.8
2032	41.3	15.8	27.0	1.4	941.2	-50.9
2033	40.7	16.9	29.2	5.4	935.6	-46.7
2034	40.0	18.0	31.5	9.4	925.9	-42.3
2035	39.4	19.1	33.7	13.4	912.1	-37.7
2036	38.8	20.2	36.0	17.4	894.3	-32.8
2037	38.2	21.3	38.2	21.2	872.4	-27.9
2038	37.6	22.4	40.2	24.9	846.8	-22.8
2039	37.0	23.5	42.1	28.5	817.4	-17.7
2040	36.5	24.6	43.9	32.0	784.5	-12.5
2041	35.9	25.6	45.6	35.3	748.2	-7.3
2042	35.3	26.7	47.2	38.6	708.5	-1.9
2043	34.8	27.8	48.7	41.7	665.6	3.5
2044	34.3	28.9	50.1	44.7	619.6	9.1
2045	33.7	29.9	51.5	47.7	570.5	14.6
2046	33.2	30.9	52.8	50.5	518.5	20.3
2047	32.6	32.0	54.0	53.3	463.7	26.0
2048	32.1	32.9	55.1	55.9	406.2	31.8
2049	31.5	33.8	56.1	58.5	346.0	37.6
2050	30.9	34.9	57.2	61.1	283.1	43.7
2051	30.4	35.8	58.1	63.6	217.7	49.7
2052	29.8	36.6	59.1	65.8	150.0	55.6
2053	29.3	37.1	60.0	67.8	80.2	61.5
2054	28.8	37.6	60.8	69.7	8.4	67.3
2055	28.2	38.1	61.7	71.5	-65.2	73.1
2056	27.7	38.5	62.4	73.2	-140.4	78.9
2057	27.2	38.8	63.1	74.7	-217.3	84.7
2058	26.7	39.0	63.8	76.1	-295.6	90.4
2059	26.2	39.2	64.4	77.4	-375.3	96.1
2060	25.7	39.3	65.0	78.6	-456.1	101.7
2061	25.2	39.4	65.5	79.7	-538.1	107.3
2062	24.8	39.4	66.0	80.7	-621.1	112.9
2063	24.3	39.4	66.5	81.6	-705.1	118.5
2064	23.8	39.3	66.9	82.4	-789.9	124.0
2065	23.4	39.2	67.3	83.1	-875.4	129.4
2066	22.9	39.0	67.6	83.7	-961.5	134.8
2067	22.5	38.8	67.9	84.2	-1,048.1	140.1
2068	22.1	38.5	68.2	84.6	-1,135.2	145.3
2069	21.7	38.2	68.4	85.0	-1,222.7	150.5
2070	21.2	37.9	68.6	85.2	-1,310.4	155.6
2071	20.8	37.5	68.7	85.4	-1,398.3	160.7
2072	20.4	37.2	68.8	85.5	-1,486.3	165.7
2073	20.0	36.7	68.9	85.6	-1,574.4	170.7
2074	19.7	36.3	69.0	85.6	-1,662.4	175.6
2075	19.3	35.9	69.0	85.5	-1,750.5	180.4
2076	18.9	35.4	69.0	85.4	-1,838.4	185.2
2077	18.5	34.9	68.9	85.3	-1,926.2	189.9
2078	18.2	34.4	68.9	85.1	-2,013.8	194.6
2079	17.8	33.9	68.8	84.9	-2,101.1	199.3

Based on the Intermediate Assumptions of the 2004 Trustees Report
With Ultimate Real Trust Fund Interest Rate of 3.0%
  Benefit Offset Real Yield Rate Set at 3.0%
  Benefit Offset Real Discount Rate Set at 3.0%

Office of the Actuary
Social Security Administration
February 7, 2005

Table 2 b.c. IA Contributions, IA Offset, Other Changes, & Budget Effect

| | Base Individual Account Contribution Rate: 2.0% | | | Benefit Offset: 100.0% | | |

	Amount(%)		Other	Change in		
	Contributed to	Offset to	Changes	Annual	Debt Held	Annual
	IA by Fed Gov:	OASDI Ben	in OASDI	Unified Budget	by Public	Unified Budget
	100	From IA	Cash flow	Cashflow	(EOY)	Balance
	(1)	(2)	(3)	(4)=(3)+(2)-(1)	(6)	(7)
Year			(Billions of Constant 2004 $)			
2005	0.0	0.0	0.0	0.0	0.0	0.0
2006	0.0	0.0	0.0	0.0	0.0	0.0
2007	58.4	0.0	0.0	-58.4	59.1	-60.0
2008	60.7	0.0	0.0	-60.7	122.1	-65.5
2009	62.9	0.0	0.0	-62.9	189.1	-71.3
2010	65.1	0.0	0.0	-65.1	260.1	-77.3
2011	67.1	0.0	0.0	-67.1	335.3	-83.4
2012	69.0	0.4	0.1	-68.5	414.1	-89.1
2013	70.7	0.9	0.5	-69.4	495.9	-94.5
2014	72.5	1.5	0.9	-70.0	581.0	-99.9
2015	74.1	2.2	1.6	-70.3	669.0	-105.3
2016	75.7	3.0	2.5	-70.1	759.6	-110.4
2017	77.2	4.0	3.7	-69.5	852.7	-115.3
2018	78.6	5.0	5.1	-68.5	947.8	-120.0
2019	80.0	6.3	6.8	-67.0	1,044.1	-123.9
2020	81.4	7.6	8.8	-65.0	1,141.4	-127.4
2021	82.7	9.1	11.2	-62.4	1,239.0	-130.5
2022	84.0	10.7	13.8	-59.4	1,336.5	-133.0
2023	85.3	12.5	16.9	-55.8	1,433.2	-135.0
2024	86.5	14.5	20.3	-51.7	1,528.7	-136.4
2025	87.7	16.6	24.2	-46.9	1,622.2	-137.0
2026	88.8	18.9	28.4	-41.5	1,712.9	-136.8
2027	90.0	21.4	33.1	-35.5	1,800.5	-136.0
2028	91.2	24.1	38.1	-29.0	1,883.8	-134.3
2029	92.4	27.0	43.6	-21.8	1,962.4	-131.8
2030	93.7	30.1	49.6	-14.0	2,035.5	-128.3
2031	94.9	33.3	56.0	-5.6	2,102.3	-123.9
2032	96.2	36.8	62.8	3.4	2,162.0	-118.5
2033	97.6	40.5	70.1	13.0	2,213.7	-112.1
2034	98.9	44.4	77.8	23.2	2,256.5	-104.6
2035	100.3	48.5	85.9	34.1	2,289.6	-95.9
2036	101.7	52.8	94.4	45.5	2,312.0	-86.0
2037	103.2	57.4	103.1	57.3	2,323.3	-75.2
2038	104.6	62.2	111.8	69.3	2,322.6	-63.5
2039	106.1	67.2	120.5	81.7	2,309.4	-50.8
2040	107.6	72.4	129.4	94.3	2,283.0	-37.0
2041	109.1	77.9	138.5	107.3	2,242.5	-22.0
2042	110.6	83.7	147.7	120.7	2,187.3	-5.9
2043	112.2	89.6	157.0	134.5	2,116.4	11.4
2044	113.7	95.8	166.5	148.6	2,029.1	30.1
2045	115.3	102.3	176.1	163.1	1,924.5	50.0
2046	116.9	109.0	185.8	178.0	1,801.6	71.4
2047	118.5	116.0	195.8	193.3	1,659.5	94.3
2048	119.9	123.0	205.8	209.0	1,497.2	118.8
2049	121.2	130.3	216.1	225.2	1,313.6	144.8
2050	122.6	138.3	226.6	242.3	1,107.1	173.1
2051	124.0	146.2	237.4	259.6	876.9	202.8
2052	125.4	153.8	248.5	276.9	622.2	234.0
2053	126.9	160.9	259.9	293.9	342.6	266.3
2054	128.3	168.0	271.5	311.2	37.0	300.3
2055	129.8	175.1	283.4	328.6	-295.4	336.0
2056	131.3	182.1	295.5	346.3	-655.7	373.5
2057	132.7	189.0	307.9	364.2	-1,045.0	412.8
2058	134.2	196.0	320.5	382.3	-1,464.4	454.0
2059	135.6	202.8	333.3	400.5	-1,914.8	497.1
2060	137.0	209.6	346.3	418.8	-2,397.3	542.1
2061	138.5	216.3	359.6	437.3	-2,913.0	589.1
2062	139.9	222.8	373.2	456.1	-3,463.3	638.4
2063	141.4	229.3	387.2	475.1	-4,049.4	689.9
2064	142.9	235.7	401.4	494.2	-4,672.4	743.5
2065	144.4	242.0	415.7	513.2	-5,333.5	799.3
2066	145.9	248.1	430.3	532.5	-6,033.9	857.4
2067	147.5	254.1	445.2	551.8	-6,774.9	918.0
2068	149.0	260.0	460.3	571.3	-7,558.0	981.0
2069	150.6	265.8	475.6	590.8	-8,384.3	1,046.6
2070	152.1	271.4	491.1	610.4	-9,255.3	1,114.7
2071	153.7	276.9	506.9	630.1	-10,172.4	1,185.5
2072	155.3	282.3	522.9	649.9	-11,137.2	1,259.1
2073	156.9	287.5	539.2	669.8	-12,151.1	1,335.6
2074	158.5	292.6	555.8	689.9	-13,215.8	1,415.1
2075	160.1	297.7	572.6	710.2	-14,333.1	1,497.8
2076	161.7	302.6	589.8	730.6	-15,504.6	1,583.6
2077	163.4	307.4	607.2	751.3	-16,732.4	1,672.8
2078	165.0	312.1	625.1	772.2	-18,017.9	1,765.6
2079	166.6	316.8	643.3	793.5	-19,363.7	1,862.2

Table 2c OASDI Cash Flow to General Fund of the Treasury--- Proposal vs. Theoretical OASDI

	Proposal				Theoretical Social Security with PAYGO Transfers			
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year [1]				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year [1]			
	Percent	Billions of Dollars			Percent	Billions of Dollars		
Year	of Payroll	Current $	1/1/2004 PV	Const 2004 $	of Payroll	Current $	1/1/2004 PV	Const 2004 $
2004	1.4	65	63	65	1.4	65	63	65
2005	1.9	89	82	87	1.9	89	82	87
2006	1.9	97	85	94	1.9	97	85	94
2007	0.8	43	36	41	2.0	105	87	99
2008	0.8	43	34	39	2.0	109	86	100
2009	0.6	34	26	31	1.8	105	78	93
2010	0.5	28	20	24	1.7	103	73	89
2011	0.3	22	14	18	1.6	101	67	85
2012	0.1	8	5	7	1.4	91	58	75
2013	-0.1	-8	-5	-7	1.1	79	47	63
2014	-0.3	-25	-14	-20	0.9	65	37	50
2015	-0.6	-45	-24	-34	0.6	48	25	36
2016	-0.9	-68	-35	-50	0.3	27	14	20
2017	-1.1	-93	-45	-67	0.0	4	2	3
2018	-1.4	-120	-54	-84	-0.3	-22	-10	-15
2019	-1.7	-150	-64	-102	-0.6	-51	-22	-35
2020	-2.0	-183	-74	-120	-0.9	-84	-34	-55
2021	-2.2	-216	-82	-139	-1.2	-119	-45	-76
2022	-2.5	-251	-90	-156	-1.5	-155	-56	-97
2023	-2.7	-287	-97	-174	-1.8	-195	-66	-118
2024	-2.9	-324	-104	-191	-2.1	-236	-76	-139
2025	-3.2	-361	-109	-207	-2.4	-279	-85	-160
2026	-3.3	-399	-114	-223	-2.7	-324	-93	-181
2027	-3.5	-436	-118	-237	-3.0	-370	-100	-201
2028	-3.6	-472	-120	-249	-3.2	-416	-106	-220
2029	-3.7	-506	-122	-260	-3.4	-463	-112	-238
2030	-3.8	-538	-123	-269	-3.6	-510	-116	-255
2031	-3.9	-570	-123	-277	-3.8	-558	-120	-271
2032	-3.9	-600	-122	-284	-4.0	-606	-123	-287
2033	-3.9	-626	-120	-288	-4.1	-653	-125	-300
2034	-3.9	-648	-117	-290	-4.2	-699	-127	-313
2035	-3.9	-667	-114	-291	-4.3	-744	-127	-324
2036	-3.8	-682	-110	-289	-4.4	-788	-127	-334
2037	-3.7	-694	-106	-286	-4.4	-831	-127	-343
2038	-3.6	-702	-101	-281	-4.5	-873	-126	-350
2039	-3.5	-707	-96	-276	-4.5	-915	-124	-357
2040	-3.3	-710	-91	-269	-4.5	-956	-123	-363
2041	-3.2	-711	-86	-262	-4.5	-1,000	-121	-369
2042	-3.1	-711	-81	-255	-4.5	-1,045	-120	-375
2043	-2.9	-709	-77	-247	-4.5	-1,091	-118	-381
2044	-2.8	-704	-72	-239	-4.5	-1,139	-116	-387
2045	-2.7	-698	-67	-231	-4.5	-1,189	-115	-393
2046	-2.5	-690	-63	-222	-4.6	-1,241	-113	-399
2047	-2.4	-681	-59	-213	-4.6	-1,297	-112	-405
2048	-2.3	-671	-55	-204	-4.6	-1,355	-110	-412
2049	-2.1	-659	-51	-195	-4.6	-1,417	-109	-419
2050	-2.0	-645	-47	-185	-4.6	-1,483	-108	-427
2051	-1.9	-632	-43	-177	-4.6	-1,555	-107	-435
2052	-1.8	-621	-40	-169	-4.7	-1,634	-106	-445
2053	-1.7	-611	-37	-162	-4.7	-1,717	-105	-455
2054	-1.6	-601	-35	-155	-4.8	-1,805	-104	-465
2055	-1.5	-592	-32	-148	-4.8	-1,899	-104	-476
2056	-1.4	-583	-30	-142	-4.9	-1,999	-103	-487
2057	-1.3	-573	-28	-136	-4.9	-2,104	-102	-499
2058	-1.3	-562	-26	-130	-5.0	-2,214	-102	-511
2059	-1.2	-548	-24	-123	-5.0	-2,328	-101	-522
2060	-1.1	-534	-22	-117	-5.1	-2,447	-100	-534
2061	-1.0	-520	-20	-110	-5.1	-2,574	-100	-547
2062	-1.0	-507	-19	-105	-5.2	-2,709	-99	-560
2063	-0.9	-495	-17	-100	-5.2	-2,854	-98	-574
2064	-0.8	-481	-16	-94	-5.3	-3,003	-98	-587
2065	-0.8	-464	-14	-88	-5.3	-3,157	-97	-600
2066	-0.7	-447	-13	-83	-5.4	-3,319	-96	-614
2067	-0.7	-429	-12	-77	-5.4	-3,489	-96	-628
2068	-0.6	-407	-11	-71	-5.5	-3,665	-95	-641
2069	-0.6	-384	-9	-65	-5.5	-3,847	-94	-655
2070	-0.5	-358	-8	-59	-5.6	-4,037	-93	-669
2071	-0.4	-331	-7	-53	-5.6	-4,235	-92	-682
2072	-0.4	-303	-6	-48	-5.7	-4,442	-92	-696
2073	-0.3	-274	-5	-42	-5.7	-4,660	-91	-710
2074	-0.3	-244	-4	-36	-5.7	-4,888	-90	-725
2075	-0.2	-212	-4	-31	-5.8	-5,127	-89	-740
2076	-0.2	-180	-3	-25	-5.8	-5,377	-88	-755
2077	-0.2	-146	-2	-20	-5.9	-5,640	-87	-770
2078	-0.1	-109	-2	-14	-5.9	-5,915	-87	-785
2079	-0.1	-71	-1	-9	-6.0	-6,203	-86	-801
Total 2004-78			-3,279				-5,225	

[1] Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers specified in the proposal or in the theoretical plan (PAYGO Transfers)

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Table 2d Change in Long-Range Trust Fund Assets / Unfunded Obligation

| | Base Individual Account Contribution Rate: 2.0% Benefit Offset: 100.0% | | | | | | |

Year	Present Law OASDI Trust Fund Assets or if Negative, Unfunded Obligation Through EOY (1)	Basic Changes in OASDI Cashflow (2)	Amount(%) Contributed to IA by Fed Gov: 100 (3)	Offset to OASDI Benefits from IA (4)	General Fund Transfers (5)	Total Change Through EOY (6)=(2)-(3)+(4)+(5)	Proposal OASDI Trust Fund Assets/ Unfunded Obligation Through EOY (7)
			(Billions of $, Present Value on 1-1-2004)				
2005	1,674.6	0.0	0.0	0.0	0.0	0.0	1,674.6
2006	1,759.0	0.0	0.0	0.0	0.0	0.0	1,759.0
2007	1,845.5	0.0	51.3	0.0	0.0	-51.3	1,794.2
2008	1,930.8	0.0	52.0	0.0	0.0	-103.3	1,827.5
2009	2,008.4	0.0	52.5	0.0	0.0	-155.8	1,852.7
2010	2,080.8	0.0	52.9	0.0	0.0	-208.6	1,872.2
2011	2,148.0	0.0	53.1	0.0	0.0	-261.7	1,886.3
2012	2,205.6	0.1	53.2	0.3	0.0	-314.5	1,891.1
2013	2,252.4	0.3	53.0	0.7	0.0	-366.4	1,886.0
2014	2,289.0	0.7	52.8	1.1	0.0	-417.5	1,871.5
2015	2,314.3	1.2	52.5	1.6	0.0	-467.3	1,847.1
2016	2,327.9	1.8	52.1	2.1	0.0	-515.6	1,812.4
2017	2,329.7	2.5	51.6	2.7	0.0	-562.1	1,767.6
2018	2,319.7	3.3	51.1	3.3	0.0	-606.6	1,713.1
2019	2,297.6	4.3	50.5	3.9	0.0	-648.9	1,648.8
2020	2,263.7	5.4	49.8	4.6	0.0	-688.7	1,575.1
2021	2,218.5	6.6	49.2	5.4	0.0	-725.9	1,492.6
2022	2,162.6	8.0	48.5	6.2	0.0	-760.2	1,402.3
2023	2,096.4	9.5	47.8	7.0	0.0	-791.6	1,304.8
2024	2,020.7	11.1	47.1	7.9	0.0	-819.8	1,200.9
2025	1,936.1	12.8	46.3	8.8	0.0	-844.7	1,091.4
2026	1,843.3	14.6	45.5	9.7	0.0	-866.1	977.2
2027	1,743.3	16.5	44.8	10.7	0.0	-883.9	859.4
2028	1,637.0	18.4	44.1	11.7	0.0	-898.1	738.9
2029	1,525.4	20.5	43.4	12.7	16.0	-908.4	617.0
2030	1,409.4	22.6	42.7	13.7	113.4	-899.0	510.4
2031	1,289.5	24.8	42.0	14.7	114.7	-788.3	501.2
2032	1,166.5	27.0	41.3	15.8	112.9	-672.4	494.1
2033	1,041.2	29.2	40.7	16.9	108.1	-554.3	486.9
2034	914.6	31.5	40.0	18.0	106.4	-437.0	477.6
2035	787.2	33.7	39.4	19.1	98.9	-317.4	469.8
2036	659.9	36.0	38.8	20.2	94.6	-201.3	458.5
2037	533.0	38.2	38.2	21.3	90.3	-85.8	447.2
2038	407.2	40.2	37.6	22.4	86.1	29.2	436.4
2039	282.7	42.1	37.0	23.5	82.0	143.5	426.2
2040	159.8	43.9	36.5	24.6	75.4	257.3	417.1
2041	38.4	45.6	35.9	25.6	71.6	367.7	406.2
2042	-81.4	47.2	35.3	26.7	67.8	477.6	396.2
2043	-199.5	48.7	34.8	27.8	61.7	586.9	387.4
2044	-316.0	50.1	34.3	28.9	58.2	693.0	377.0
2045	-430.8	51.5	33.7	29.9	54.7	798.6	367.8
2046	-544.1	52.8	33.2	30.9	49.0	903.6	359.5
2047	-655.8	54.0	32.6	32.0	45.8	1,005.6	349.8
2048	-766.0	55.1	32.1	32.9	42.7	1,107.0	341.0
2049	-874.8	56.1	31.5	33.8	37.3	1,207.9	333.1
2050	-982.4	57.2	30.9	34.9	36.7	1,306.1	323.6
2051	-1,089.0	58.1	30.4	35.8	31.6	1,406.1	317.0
2052	-1,194.8	59.1	29.8	36.6	31.1	1,503.2	308.4
2053	-1,299.7	60.0	29.3	37.1	28.4	1,601.8	302.2
2054	-1,403.9	60.8	28.8	37.6	23.6	1,699.7	295.8
2055	-1,507.4	61.7	28.2	38.1	23.2	1,794.6	287.2
2056	-1,610.3	62.4	27.7	38.5	22.8	1,890.7	280.4
2057	-1,712.7	63.1	27.2	38.8	20.4	1,988.0	275.3
2058	-1,814.4	63.8	26.7	39.0	18.1	2,084.3	270.0
2059	-1,915.3	64.4	26.2	39.2	15.8	2,179.6	264.3
2060	-2,015.6	65.0	25.7	39.3	13.6	2,273.8	258.2
2061	-2,115.1	65.5	25.2	39.4	13.4	2,366.8	251.7
2062	-2,214.1	66.0	24.8	39.4	11.3	2,460.7	246.6
2063	-2,312.6	66.5	24.3	39.4	11.1	2,553.4	240.7
2064	-2,410.5	66.9	23.8	39.3	9.1	2,646.6	236.1
2065	-2,507.7	67.3	23.4	39.2	8.9	2,738.6	231.0
2066	-2,604.1	67.6	22.9	39.0	7.0	2,831.1	226.9
2067	-2,699.9	67.9	22.5	38.8	5.2	2,922.1	222.2
2068	-2,794.9	68.2	22.1	38.5	5.1	3,011.7	216.8
2069	-2,889.1	68.4	21.7	38.2	3.3	3,101.6	212.5
2070	-2,982.5	68.6	21.2	37.9	3.3	3,190.1	207.6
2071	-3,075.0	68.7	20.8	37.5	1.6	3,278.6	203.6
2072	-3,166.6	68.8	20.4	37.2	1.6	3,365.6	199.0
2073	-3,257.4	68.9	20.0	36.7	0.0	3,452.6	195.2
2074	-3,347.3	69.0	19.7	36.3	0.0	3,538.1	190.8
2075	-3,436.4	69.0	19.3	35.9	0.0	3,623.5	187.1
2076	-3,524.7	69.0	18.9	35.4	0.0	3,708.8	184.1
2077	-3,612.1	68.9	18.5	34.9	0.0	3,793.9	181.9
2078	-3,698.7	68.9	18.2	34.4	0.0	3,878.9	180.3
Total 2004-78		2,867.2	2,581.3	1,671.1	1,933.7		

Based on the Intermediate Assumptions of the 2004 Trustees Report
With Ultimate Real Trust Fund Interest Rate of 3.0%
  Benefit Offset Real Yield Rate Set at 3.0%
  Benefit Offset Real Discount Rate Set at 3.0%

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Table B1. Pozen Plan--Intended Benefit Offset, IA annuity, and Proposal OASDI Benefit Before Offset
Estimates as Percent of PL Scheduled Benefit--IA Contrib start 2007 at 2% to$3,000(CPI-indexed) for those under 55 on Jan 1, 2005

	Single				Married 1-earner				Married 2-equal-earner			
	Intended Offset	IA with Low Yld*	IA with ExpYld**	OASDI Benefit	Intended Offset	IA with Low Yld*	IA with ExpYld**	OASDI Benefit	Intended Offset	IA with Low Yld*	IA with ExpYld**	OASDI Benefit
IA Yld	3	2.7	4.92	Before	3	2.7	4.92	Before	3	2.7	4.92	Before
Ann Yld	3	2.7	3	Offset	3	2.7	3	Offset	3	2.7	3	Offset
Year Attain Age 65	**Scaled Low Earner**				**Scaled Low Earner**				**Scaled Low Earner**			
2015	2.0	1.9	2.0	100.0	1.2	1.2	1.3	100.0	1.8	1.8	1.9	100.0
2025	6.1	5.8	7.0	100.0	3.8	3.6	4.3	100.0	5.7	5.4	6.5	100.0
2035	10.8	9.9	13.6	100.0	6.8	6.3	8.6	100.0	10.0	9.3	12.7	100.0
2045	15.2	13.9	21.4	100.0	9.6	8.7	13.5	100.0	14.3	13.0	20.0	100.0
2055	16.8	15.2	24.7	100.0	10.6	9.6	15.6	100.0	15.8	14.2	23.1	100.0
2075	16.8	15.2	24.7	100.0	10.6	9.6	15.6	100.0	15.8	14.2	23.1	100.0
	Scaled Medium Earner				**Scaled Medium Earner**				**Scaled Medium Earner**			
2015	2.7	2.5	2.7	99.3	1.7	1.6	1.7	99.3	2.5	2.4	2.6	99.3
2025	8.3	7.8	9.4	93.6	5.1	4.8	5.8	93.6	7.7	7.2	8.8	93.6
2035	14.5	13.4	18.3	88.5	9.1	8.4	11.6	88.5	13.5	12.5	17.1	88.5
2045	20.6	18.7	28.8	83.6	13.0	11.8	18.2	83.6	19.2	17.5	27.0	83.6
2055	22.7	20.5	33.3	79.4	14.4	13.0	21.0	79.4	21.3	19.2	31.1	79.4
2075	22.7	20.5	33.3	72.1	14.4	13.0	21.0	72.1	21.3	19.2	31.1	72.1
	Scaled High Earner				**Scaled High Earner**				**Scaled High Earner**			
2015	3.2	3.1	3.3	99.0	2.0	1.9	2.1	99.0	3.0	2.9	3.1	99.0
2025	10.0	9.4	11.3	90.4	6.2	5.8	7.0	90.4	9.3	8.7	10.6	90.4
2035	17.5	16.2	22.1	82.7	11.0	10.2	13.9	82.7	16.3	15.1	20.7	82.7
2045	24.8	22.6	34.8	75.5	15.7	14.2	22.0	75.5	23.2	21.1	32.5	75.5
2055	27.4	24.8	40.1	69.0	17.3	15.6	25.4	69.0	25.6	23.1	37.6	69.0
2075	27.4	24.8	40.1	58.2	17.3	15.6	25.4	58.2	25.6	23.1	37.6	58.2
	Steady Maximum Earner				**Steady Maximum Earner**				**Steady Maximum Earner**			
2015	5.0	4.8	5.1	98.8	3.1	3.0	3.2	98.8	4.6	4.4	4.8	98.8
2025	12.9	12.1	14.4	88.7	8.0	7.5	9.0	88.7	12.0	11.3	13.5	88.7
2035	21.6	20.0	26.9	79.5	13.6	12.6	17.0	79.5	20.1	18.6	25.2	79.5
2045	31.7	28.8	44.5	71.0	20.0	18.2	28.1	71.0	29.6	26.9	41.7	71.0
2055	36.9	33.3	55.3	63.4	23.4	21.0	35.0	63.4	34.6	31.1	51.8	63.4
2075	34.7	31.2	52.8	50.7	22.0	19.7	33.4	50.7	32.5	29.2	49.4	50.7

* Assuming low, or risk adjusted, yield on all assets at expected yield for long-term Treasury Bonds
** Required portfolio under the Proposal: 60% Equity, 24% Corporate Bond, 16% Treasury Bond; less equity after 57 (20% at 61+).
Note: IA is assumed to be used completely to purchase a CPI-indexed life annuity (joint ans 2/3 survivor for couple.).
   Career average earnings-- Low-26th percentile, Medium-57th percentile, High-85th percentile

Based on Intermediate assms of the 2004 Trustees Report

OCACT/SSA February 6, 2005

Table B2. Pozen Plan--Proposal OASDI Benefit Before Offset; Retiree Benefit with Offset and IA Annuity
Estimates as Percent of PL Scheduled Benefit--IA Contrib start 2007 at 2% to$3,000(CPI-indexed) for those under 55 on Jan 1, 2005

	Single			Married 1-earner			Married 2-equal-earner		
	OASDI Benefit Before Offset	Total OASI Benefit Less Offset, Plus IA		OASDI Benefit Before Offset	Total OASI Benefit Less Offset, Plus IA		OASDI Benefit Before Offset	Total OASI Benefit Less Offset, Plus IA	
IA Yld Ann Yld		IA with Low Yld*	IA with ExpYld**		IA with Low Yld*	IA with ExpYld**		IA with Low Yld*	IA with ExpYld**
Year Attain Age 65	**Scaled Low Earner**			**Scaled Low Earner**			**Scaled Low Earner**		
2015	100.0	99.9	100.1	100.0	99.9	100.0	100.0	99.9	100.1
2025	100.0	99.6	100.8	100.0	99.8	100.5	100.0	99.7	100.8
2035	100.0	99.2	102.8	100.0	99.5	101.8	100.0	99.2	102.7
2045	100.0	98.6	106.1	100.0	99.1	103.9	100.0	98.7	105.7
2055	100.0	98.4	107.8	100.0	99.0	105.0	100.0	98.5	107.3
2075	100.0	98.4	107.8	100.0	99.0	105.0	100.0	98.5	107.3
	Scaled Medium Earner			**Scaled Medium Earner**			**Scaled Medium Earner**		
2015	99.3	99.2	99.4	99.3	99.3	99.4	99.3	99.2	99.4
2025	93.6	93.1	94.7	93.6	93.3	94.3	93.6	93.1	94.7
2035	88.5	87.4	92.3	88.5	87.7	90.9	88.5	87.4	92.0
2045	83.6	81.8	91.9	83.6	82.5	88.9	83.6	81.9	91.4
2055	79.4	77.2	89.9	79.4	78.0	86.0	79.4	77.3	89.2
2075	72.1	70.0	82.7	72.1	70.7	78.8	72.1	70.1	82.0
	Scaled High Earner			**Scaled High Earner**			**Scaled High Earner**		
2015	99.0	98.9	99.1	99.0	98.9	99.1	99.0	98.9	99.1
2025	90.4	89.8	91.8	90.4	90.0	91.3	90.4	89.9	91.7
2035	82.7	81.3	87.3	82.7	81.8	85.6	82.7	81.4	87.0
2045	75.5	73.2	85.4	75.5	74.0	81.8	75.5	73.3	84.8
2055	69.0	66.4	81.8	69.0	67.3	77.1	69.0	66.5	81.0
2075	58.2	55.6	71.0	58.2	56.5	66.3	58.2	55.7	70.1
	Steady Maximum Earner			**Steady Maximum Earner**			**Steady Maximum Earner**		
2015	98.8	98.6	99.0	98.8	98.7	98.9	98.8	98.6	99.0
2025	88.7	88.0	90.3	88.7	88.2	89.7	88.7	88.0	90.2
2035	79.5	78.0	84.9	79.5	78.5	82.9	79.5	78.0	84.6
2045	71.0	68.2	83.9	71.0	69.2	79.2	71.0	68.3	83.1
2055	63.4	59.8	81.8	63.4	61.1	75.1	63.4	60.0	80.6
2075	50.7	47.2	68.7	50.7	48.4	62.1	50.7	47.3	67.6

* Assuming low, or risk adjusted, yield on all assets at expected yield for long-term Treasury Bonds of 3 percent real.

** Required portfolio under the Proposal: 60% Equity, 24% Corporate Bond, 16% Treasury Bond; less equity after 57 (20% at 61+).   Based on Intermediate assms of
   Net real yield 4.92 after admin charge of 0.3 percent.   the 2004 Trustees Report

Note: IA is assumed to be used completely to purchase a CPI-indexed life annuity (joint ans 2/3 survivor for couple.).

   Career average earnings-- Low-26th percentile, Medium-57th percentile, High-85th percentile   OCACT/SSA February 6, 2005