

2.A OASDI: Coverage, Financing, and Insured Status

Table 2.A1—Type of covered employment and self-employment

Year enacted	Coverage election or waiver if any	Category of worker
1935		All workers in commerce and industry (except railroads) under age 65 in the continental United States, Alaska, and Hawaii and on American vessels. (Covered after 1936.)
1939		Age restriction eliminated.
1946		Railroad and Social Security earnings combined to determine eligibility for and amount of survivors benefits.
1950		Regularly employed farm and domestic workers. Nonfarm self-employed (except members of professional groups). Federal civilian employees not under a federal retirement system. U.S. citizens employed outside the United States by American employers. Workers in Puerto Rico and the Virgin Islands (effective Jan. 1, 1951).
	Elective by employer	State and local government employees not under a state and local government retirement system. Termination permitted 2 years after giving notice if group has 5 years of coverage when notice is given.
	Elective by employer and employee	Employees (other than members of the clergy) of nonprofit organizations (upon election by employer, each current employee given a choice as to coverage; new employees are covered). Nonprofit organizations permitted to terminate coverage 2 years after giving notice, if the organization has 8 years of coverage when notice is given.
1951		Railroad workers with less than 10 years of service, for all benefits. (After October 1951, coverage retroactive to 1937.)
1954		Farm self-employed. Professional self-employed except lawyers, dentists, physicians, and members of other medical groups (taxable years ending after 1954). Additional regularly employed farm and domestic workers. Homeworkers.
	Elective by employer	U.S. citizens employed outside the United States by a foreign subsidiary of an American employer.
	Elective by employer and employee	State and local government employees (except fire fighters and police personnel) under a state or local government retirement system (coverage provided at state's option; a majority of the eligible employees must vote in favor). See above (elective by employer, 1950) for termination rule.
	Elective by individual	Members of the clergy and of religious orders not under a vow of poverty.
1956		Members of the uniformed services on active duty or on active duty for training. Remainder of professional self-employed except physicians (taxable years ending after 1955). Farm landlords who materially participate in farm operations.
	Elective by employer and employee	Fire fighters and police personnel in designated states. State and local government employees under a state or local government retirement system in designated states may be divided into two systems, one excluding employees not desiring coverage (new employees covered).
1960		U.S. citizens employed in United States by foreign governments or international organizations. Parents working for children (except domestic or casual labor). Workers in Guam and American Samoa.
1965		Interns. Self-employed physicians (taxable years ending on or after Dec. 31, 1965). Tips for employee tax only.
	Elective by individual	Members of certain religious sects may obtain exemptions from self-employed coverage (retroactive to 1951).
1967	Elective by employer and employee	Fire fighters under state and local government retirement system (under a majority favorable vote) and only if governor of state certifies Social Security protection.
	Subject to waiver by individual	Members of the clergy and of religious orders not under a vow of poverty are covered automatically, but they can choose to be exempt on grounds of conscience or religious principles. Taxable years ending after 1967.
1972	Elective by employer	Members of a religious order who are subject to a vow of poverty. Retroactivity allowed for 5 years but not earlier than Jan. 1, 1968.
1977	Elective by individual	Members of the clergy and of religious orders who filed an application for exemption from coverage may revoke the exemption if the revocation is filed before the due date of the individual's federal income tax return for the first taxable year beginning after Dec. 20, 1977.
1982		Federal employees—Hospital Insurance (Part A) program only, effective Jan. 1, 1983.
1983		Federal employees (except reemployed annuitants hired before Jan. 1, 1984), including executive, legislative, and judicial branch employees and including those with previous periods of federal service if the break in service lasted more than 365 days.
		Legislative branch employees hired before 1984 who were not participating in the Civil Service Retirement System on Dec. 31, 1983.
		Members of Congress, the President, the Vice President, sitting federal judges, and most executive-level political appointees of the federal government.
		Employees of nonprofit organizations.
		U.S. residents employed outside the United States by American employers.
	Elective by employer	U.S. residents employed outside the United States by a foreign affiliate of an American employer.

Table 2.A1—Type of covered employment and self-employment—Continued

Year enacted	Coverage election or waiver if any	Category of worker
1984	Elective by employer or by employer and employee	<p>Employees of nonprofit organizations placed under compulsory coverage; nonprofit organizations prohibited from terminating coverage of their employees on or after Mar. 31, 1983.</p> <p>States prohibited from terminating coverage of employees (after Apr. 20, 1983) and permitted to reinstate coverage for a terminated group.</p> <p>Rehired federal employees whose previous service was covered.</p> <p>Persons exercising reemployment rights to noncovered federal employment retain exemption after a period (not limited to 365 or fewer days) of military or national guard service or work for an international organization.</p> <p>Generally, all legislative branch employees except those who were participating on Dec. 31, 1983, and are also currently participating in the Civil Service Retirement System or another federal retirement system.</p> <p>Employees of nonprofit organizations who are also participating on a mandatory basis in the Civil Service Retirement System are treated like federal employees for Social Security tax and coverage purposes. They are therefore not covered unless hired on or after Jan. 1, 1984, or reemployed after a break in service of more than 365 days.</p>
1986	Elective by employer	<p>Churches or church-related organizations may elect irrevocably to have services performed by their employees excluded from covered employment. Their employees are then treated as self-employed for Social Security purposes.</p> <p>State and local government employees hired after Mar. 31, 1986—Hospital Insurance (Part A) program only.</p>
1987	Elective by individual	<p>Members of the clergy and of religious orders who filed an application for exemption from coverage may revoke the exemption if the revocation is filed before the due date of the individual's federal income tax return for the first taxable year beginning after Oct. 22, 1986.</p>
1990		<p>Members of uniformed services reserve components on inactive duty training. Irregularly employed farm workers (if employer's annual expenditures for farm labor is at least \$2,500). Services performed in trade or business of spouse or by children aged 18 or older in trade or business of parent. For employers, the full amount of covered tips.</p>
1994		<p>State and local government employees not under a state or local government retirement system. Exceptions: (1) students employed by the educational institution they attend and (2) election workers paid less than the mandated amount (\$100), unless either group covered under a state's Section 218 agreement.</p>
		<p>Threshold for exclusion of wages paid to election workers raised from \$100 to \$1,000 annually beginning Jan. 1, 1995, and will be indexed for wage increases each year after Dec. 31, 1999.</p> <p>Police and fire fighters under a public retirement system can be covered for Social Security in all states.</p> <p>Threshold for coverage of domestic employees' earnings raised from \$50 per calendar quarter to \$1,000 per calendar year per employer; amount subject to annual automatic adjustments. Domestic workers no longer covered for years in which they were under age 18, unless they are no longer in school and domestic employment is their principal occupation. Coverage of earnings of domestic workers on farms becomes subject to new annual threshold for domestic workers instead of annual threshold for agricultural employees.</p>

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings). Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm.

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2.A OASDI: Coverage, Financing, and Insured Status

Table 2.A2—Noncontributory wage credits (in dollars)

Year enacted	Provision
1946	Fully insured status and average monthly wage of \$160 for World War II veterans who died within 3 years after discharge.
1950	Wage credits of \$160 per month of military service during World War II period (Sept. 16, 1940–July 24, 1947).
1952	Same military wage credits to Dec. 31, 1953.
1953	Same military wage credits to June 30, 1955.
1955	Same military wage credits to Mar. 31, 1956.
1956	Same military wage credits to Dec. 31, 1956.
1967	For uniformed services, wage credits of \$100 for each \$100 (or fraction thereof) of basic pay not in excess of \$300 per calendar quarter, beginning in 1968.
1972	For uniformed services, wage credits of \$300 per calendar quarter of service after 1956. (Supersedes 1967 provision.) For U.S. citizens of Japanese ancestry, wage credits for the period they were interned by the U.S. government during World War II period (Dec. 7, 1941–Dec. 31, 1946) and were aged 18 or older.
1977	For uniformed services, wage credits of \$100 for each \$300 of basic pay up to maximum credit of \$1,200 per calendar year after 1977.
2002	For uniformed services, deemed wage credits are eliminated for all years after calendar year 2001. Deemed wage credits will continue to be given for appropriate earnings for periods prior to calendar year 2002.

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Table 2.A3—Annual maximum taxable earnings and actual contribution rates, 1937–2002 and thereafter

Year	Annual maximum taxable earnings		Contribution rate (percent)								
			Employer and employee, each				Self-employed person				
	OASDI	HI	Total	OASI	DI	HI	Total	OASI	DI	HI	
1937–1949	3,000	...	1.0	1.0	...	...	...	...	...	...	...
1950	3,000	...	1.5	1.5	...	...	...	...	...	...	...
1951–1953	3,600	...	1.5	1.5	...	...	...	...	...	...	...
1954	3,600	...	2.0	2.0	...	...	3.0	3.0	...	...	...
1955–1956	4,200	...	2.0	2.0	...	...	3.0	3.0	...	...	...
1957–1958	4,200	...	2.25	2.0	0.25	...	3.375	3.0	0.375	...	...
1959	4,800	...	2.5	2.25	0.25	...	3.75	3.375	0.375	...	...
1960–1961	4,800	...	3.0	2.75	0.25	...	4.5	4.125	0.375	...	...
1962	4,800	...	3.125	2.875	0.25	...	4.7	4.325	0.375	...	...
1963–1965	4,800	...	3.625	3.375	0.25	...	5.4	5.025	0.375	...	...
1966	6,600	6,600	4.2	3.5	0.35	0.35	6.15	5.275	0.525	0.35	0.35
1967	6,600	6,600	4.4	3.55	0.35	0.5	6.4	5.375	0.525	0.5	0.5
1968	7,800	7,800	4.4	3.325	0.475	0.6	6.4	5.0875	0.7125	0.6	0.6
1969	7,800	7,800	4.8	3.725	0.475	0.6	6.9	5.5875	0.7125	0.6	0.6
1970	7,800	7,800	4.8	3.65	0.55	0.6	6.9	5.475	0.825	0.6	0.6
1971	7,800	7,800	5.2	4.05	0.55	0.6	7.5	6.075	0.825	0.6	0.6
1972	9,000	9,000	5.2	4.05	0.55	0.6	7.5	6.075	0.825	0.6	0.6
1973	10,800	10,800	5.85	4.3	0.55	1.0	8.0	6.205	0.795	1.0	1.0
1974	13,200	13,200	5.85	4.375	0.575	0.9	7.9	6.185	0.815	0.9	0.9
1975	^a 14,100	^a 14,100	5.85	4.375	0.575	0.9	7.9	6.185	0.815	0.9	0.9
1976	^a 15,300	^a 15,300	5.85	4.375	0.575	0.9	7.9	6.185	0.815	0.9	0.9
1977	^a 16,500	^a 16,500	5.85	4.375	0.575	0.9	7.9	6.185	0.815	0.9	0.9
1978	^a 17,700	^a 17,700	6.05	4.275	0.775	1.0	8.1	6.01	1.09	1.0	1.0
1979	22,900	22,900	6.13	4.33	0.75	1.05	8.1	6.01	1.04	1.05	1.05
1980	25,900	25,900	6.13	4.52	0.56	1.05	8.1	6.2725	0.7775	1.05	1.05
1981	29,700	29,700	6.65	4.7	0.65	1.3	9.3	7.025	0.975	1.3	1.3
1982	^a 32,400	^a 32,400	6.7	4.575	0.825	1.3	9.35	6.8125	1.2375	1.3	1.3
1983	^a 35,700	^a 35,700	6.7	4.775	0.625	1.3	9.35	7.1125	0.9375	1.3	1.3
1984	^a 37,800	^a 37,800	^b 7.0	5.2	0.5	1.3	^b 14.0	10.4	1.0	2.6	2.6
1985	^a 39,600	^a 39,600	7.05	5.2	0.5	1.35	^b 14.1	10.4	1.0	2.7	2.7
1986	^a 42,000	^a 42,000	7.15	5.2	0.5	1.45	^b 14.3	10.4	1.0	2.9	2.9
1987	^a 43,800	^a 43,800	7.15	5.2	0.5	1.45	^b 14.3	10.4	1.0	2.9	2.9
1988	^a 45,000	^a 45,000	7.51	5.53	0.53	1.45	^b 15.02	11.06	1.06	2.9	2.9
1989	^a 48,000	^a 48,000	7.51	5.53	0.53	1.45	^b 15.02	11.06	1.06	2.9	2.9
1990	^c 51,300	^c 51,300	7.65	5.6	0.6	1.45	15.3	11.2	1.2	2.9	2.9
1991	^c 53,400	^d 125,000	7.65	5.6	0.6	1.45	15.3	11.2	1.2	2.9	2.9
1992	^c 55,500	130,200	7.65	5.6	0.6	1.45	15.3	11.2	1.2	2.9	2.9
1993	^c 57,600	^a 135,000	7.65	5.6	0.6	1.45	15.3	11.2	1.2	2.9	2.9
1994	^a 60,600	^e	7.65	5.26	0.94	1.45	15.3	10.52	1.88	2.9	2.9
1995	^a 61,200	^e	7.65	5.26	0.94	1.45	15.3	10.52	1.88	2.9	2.9
1996	^a 62,700	^e	7.65	5.26	0.94	1.45	15.3	10.52	1.88	2.9	2.9
1997	^a 65,400	^e	7.65	5.35	0.85	1.45	15.3	10.7	1.7	2.9	2.9
1998	^a 68,400	^e	7.65	5.35	0.85	1.45	15.3	10.7	1.7	2.9	2.9
1999	^a 72,600	^e	7.65	5.35	0.85	1.45	15.3	10.7	1.7	2.9	2.9
2000	^a 76,200	^e	7.65	5.3	0.9	1.45	15.3	10.6	1.8	2.9	2.9
2001	^a 80,400	^e	7.65	5.3	0.9	1.45	15.3	10.6	1.8	2.9	2.9
2002	^a 84,900	^e	7.65	5.3	0.9	1.45	15.3	10.6	1.8	2.9	2.9
2003 and later	^a	^e	7.65	5.3	0.9	1.45	15.3	10.6	1.8	2.9	2.9

a. Based on automatic adjustment, under 1972 legislation (as modified by 1973 legislation), in proportion to increases in average wage level.

b. Includes tax credit, see Table 2.A5.

c. Based on automatic adjustment, under 1972 legislation (as modified by 1973 legislation), using a transitional rule, specified by the Omnibus Budget Reconciliation Act (OBRA) of 1989, for computing a "deemed" average annual wage for 1988, 1989, and 1990.

d. Based on 1990 legislation.

e. Upper limit on earnings subject to HI taxes was repealed by OBRA 1993.

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings).

Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm.

Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2002," *Federal Register*, vol. 66, no. 207 (October 25, 2001).

NOTE: . . . = not applicable.

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2.A OASDI: Coverage, Financing, and Insured Status

Table 2.A4—Maximum annual amount of contribution, 1937–2002 (in dollars)

Year	Employee					Self-employed person				
	Total OASDHI	Total OASDI	OASI	DI	HI	Total OASDHI	Total OASDI	OASI	DI	HI
1937–1949.....	30.00	30.00	30.00	...	...	...	...	...	...	...
1950.....	45.00	45.00	45.00	...	...	...	...	...	...	...
1951–1953.....	54.00	54.00	54.00	...	...	81.00	81.00	81.00	...	...
1954.....	72.00	72.00	72.00	...	...	108.00	108.00	108.00	...	...
1955–1956.....	84.00	84.00	84.00	...	...	126.00	126.00	126.00	...	...
1957–1958.....	94.50	94.50	84.00	10.50	...	141.75	141.75	126.00	15.75	...
1959.....	120.00	120.00	108.00	12.00	...	180.00	180.00	162.00	18.00	...
1960–1961.....	144.00	144.00	132.00	12.00	...	216.00	216.00	198.00	18.00	...
1962.....	150.00	150.00	138.00	12.00	...	225.60	225.60	207.60	18.00	...
1963–1965.....	174.00	174.00	162.00	12.00	...	259.20	259.20	241.20	18.00	...
1966.....	277.20	254.10	231.00	23.10	23.10	405.90	382.80	348.15	34.65	23.10
1967.....	290.40	257.40	234.30	23.10	33.00	422.40	389.40	354.75	34.65	33.00
1968.....	343.20	296.40	259.35	37.05	46.80	499.20	452.40	396.825	55.575	46.80
1969.....	374.40	327.60	290.55	37.05	46.80	538.20	491.40	435.825	55.575	46.80
1970.....	374.40	327.60	284.70	42.90	46.80	538.20	491.40	427.05	64.35	46.80
1971.....	405.60	358.80	315.90	42.90	46.80	585.00	538.20	473.85	64.35	46.80
1972.....	468.00	414.00	364.50	49.50	54.00	675.00	621.00	546.75	74.25	54.00
1973.....	631.80	523.80	464.40	59.40	108.00	864.00	756.00	670.14	85.86	108.00
1974.....	772.20	653.40	577.50	75.90	118.80	1,042.80	924.00	816.42	107.58	118.80
1975.....	824.85	697.95	616.875	81.075	126.90	1,113.90	987.00	872.085	114.915	126.90
1976.....	895.05	757.35	669.375	87.975	137.70	1,208.70	1,071.00	946.305	124.695	137.70
1977.....	965.25	816.75	721.875	94.875	148.50	1,303.50	1,155.00	1,020.525	134.475	148.50
1978.....	1,070.85	893.85	756.675	137.175	177.00	1,433.70	1,256.70	1,063.77	192.93	177.00
1979.....	1,403.77	1,163.32	991.59	171.75	240.45	1,854.90	1,614.45	1,376.29	238.16	240.45
1980.....	1,587.67	1,315.72	1,170.68	145.04	271.95	2,097.90	1,825.95	1,624.58	201.37	271.95
1981.....	1,975.05	1,588.95	1,395.90	193.05	386.10	2,762.10	2,376.00	2,086.43	289.57	386.10
1982.....	2,170.80	1,749.60	1,482.30	267.30	421.20	3,029.40	2,608.20	2,207.25	400.95	421.20
1983.....	2,391.90	1,927.80	1,704.675	223.125	464.10	3,337.95	2,873.85	2,539.1625	334.6875	464.10
1984 ^a	2,646.00	2,154.60	1,965.60	189.00	491.40	5,292.00	4,309.20	3,931.20	378.00	982.80
1985 ^a	2,791.80	2,257.20	2,059.20	198.00	534.60	5,583.60	4,514.40	4,118.40	396.00	1,069.20
1986 ^a	3,003.00	2,394.00	2,184.00	210.00	609.00	6,006.00	4,788.00	4,368.00	420.00	1,218.00
1987 ^a	3,131.70	2,496.60	2,277.60	219.00	635.10	6,263.40	4,993.20	4,555.20	438.00	1,270.20
1988 ^a	3,379.50	2,727.00	2,488.50	238.50	652.50	6,759.00	5,454.00	4,977.00	477.00	1,305.00
1989 ^a	3,604.80	2,908.80	2,654.40	254.40	696.00	7,209.60	5,817.60	5,308.80	508.80	1,392.00
1990.....	3,924.45	3,180.60	2,872.80	307.80	743.85	7,848.90	6,361.20	5,745.60	615.60	1,487.70
1991.....	5,123.30	3,310.80	2,990.40	320.40	1,812.50	10,246.60	6,621.60	5,980.80	640.80	3,625.00
1992.....	5,328.90	3,441.00	3,108.00	333.00	1,887.90	10,657.80	6,882.00	6,216.00	666.00	3,775.80
1993.....	5,528.70	3,571.20	3,225.60	345.60	1,957.50	11,057.40	7,142.40	6,451.20	691.20	3,915.00
1994.....	b	3,757.20	3,187.56	569.64	b	b	7,514.40	6,375.12	1,139.28	b
1995.....	b	3,794.40	3,219.12	575.28	b	b	7,588.80	6,438.24	1,150.56	b
1996.....	b	3,887.40	3,298.02	589.38	b	b	7,774.80	6,596.04	1,178.76	b
1997.....	b	4,054.80	3,498.90	555.90	b	b	8,109.60	6,997.80	1,111.80	b
1998.....	b	4,240.80	3,659.40	581.40	b	b	8,481.60	7,318.80	1,162.80	b
1999.....	b	4,501.20	3,884.10	617.10	b	b	9,002.40	7,768.20	1,234.20	b
2000.....	b	4,724.40	4,038.60	685.80	b	b	9,448.80	8,077.20	1,371.60	b
2001.....	b	4,984.80	4,261.20	723.60	b	b	9,969.60	8,522.40	1,447.20	b
2002.....	b	5,236.80	4,499.70	764.10	b	b	10,527.60	8,999.40	1,528.20	b

a. Includes tax credit, see Table 2.A5.

b. Upper limit on earnings subject to HI taxes was repealed by the Omnibus Budget Reconciliation Act (OBRA) of 1993.

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings). Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm.

Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2002," *Federal Register*, vol. 66, no. 207 (October 25, 2001).

NOTE: ... = not applicable.

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Table 2.A5—Tax credits

Year enacted	Group	Tax payable under—	Percent of earnings	Tax credit, effective with respect to—
1983	Employee	Federal Insurance Contributions Act (FICA)	0.3	Remuneration paid in calendar year 1984
	Self-employed	Self-Employment Contributions Act (SECA)	2.7	Self-employment income for taxable years beginning in 1984
			2.3	Self-employment income for taxable years beginning in 1985
			2.0	Self-employment income for taxable years beginning in 1986, 1987, 1988, and 1989

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings). Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm.

NOTE: During this period, scheduled taxes were credited to the Social Security trust funds, monies for tax credits were paid from the Treasury, and the reduced tax rates were paid by employees and the self-employed.

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Table 2.A6—Appropriations from general revenues and interfund borrowing

Year enacted	Type of transaction	Provision
1935	Appropriations from general revenues	Annual appropriations to the old-age reserve account to provide payments; direct appropriation to pay for administrative expenses.
1939		Trust fund created from which benefits and administrative expenses were to be paid.
1944		General authorization to finance benefits and payments.
1947		For cost of gratuitous military service wage credits.
1950		General authorization repealed.
1951		Railroad interchange provisions enacted.
1956		For cost of gratuitous military service wage credits.
1966		For cost of transitional uninsured monthly benefits for those aged 72 and older with fewer than 3 quarters of coverage.
1972		For cost of gratuitous wage credits for Japanese-American internees.
1983		A lump-sum payment to the OASDI trust funds equal to (1) the present value of the estimated additional benefits arising from the gratuitous military service wage credits for service before 1957 and (2) the amount of the combined employer-employee OASDI taxes on the gratuitous wage credits for service after 1956 and before 1984 but less any amounts previously transferred. After 1983, the trust funds will be reimbursed on a current basis for employer-employee taxes on such wage credits for service after 1983.
		A lump-sum payment to the OASDI trust funds representing the amount of uncashed benefit checks (including interest) issued in the past. In the future, the trust funds will be credited on a regular basis. All transfers made for uncashed benefit checks will be subject to the annual appropriation process.
		Transfers in each year from the Treasury Department to the OASDI trust funds amounts equal to income tax receipts attributable to inclusion of Social Security benefits in taxable income.
		For tax credits for part of the 1984 employment FICA tax and part of the tax on self-employment income under SECA for 1984–89, see Table 2.A5.
1993		Transfers in each year from the Treasury Department to the HI trust fund of amounts equal to income tax receipts attributable to the increased portions of Social Security benefits included in taxable income under the 1993 Act.
1981	Interfund borrowing	Interfund borrowing permitted among OASI, DI, and HI trust funds as needed until Dec. 31, 1982. For all or part of any loan to be repaid, the managing trustee determines if assets of borrowing trust fund(s) are sufficient for that purpose. Interest with respect to any outstanding loan balance at a rate equal to the rate earned by lending trust fund is transferred from time to time.
1983		Interfund borrowing reauthorized among OASI, DI, and HI trust funds for calendar years 1983–87, with provisions for scheduled repayment, no later than Dec. 31, 1989, of principal and interest (including amounts borrowed in 1982). No borrowing permitted from any fund that has been reduced to specified levels.

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings). Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm.

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2.A OASDI: Coverage, Financing, and Insured Status

Table 2.A7—Insured status (benefit eligibility)

Year enacted	Eligibility concept	Provision	
1939	Quarter of coverage (QC)	Calendar quarter in which \$50 of wages is earned. Four QC are credited for covered earnings equal to maximum limitation for the year.	
1946		Calendar quarter in which \$50 of wages is paid.	
1950		Calendar quarter credited with \$100 of self-employment income (reported annually).	
1954		Calendar quarter credited with \$100 of agricultural wages (reported annually).	
1977		Calendar quarters of coverage (up to 4) for each \$250 of annual earnings, effective Jan. 1, 1978 (effective on Jan. 1 of each year, dollar amount subject to automatic increase):	
		<i>Amount (dollars)</i>	<i>Year</i>
		260	1979
		290	1980
		310	1981
		340	1982
		370	1983
		390	1984
		410	1985
		440	1986
		460	1987
		470	1988
		500	1989
	520	1990	
	540	1991	
	570	1992	
	590	1993	
	620	1994	
	630	1995	
	640	1996	
	670	1997	
	700	1998	
	740	1999	
	780	2000	
	830	2001	
	870	2002	
1954	Disability definition	Inability to engage in substantial gainful activity because of any medically determinable permanent physical or mental impairment.	
1965		Disability lasting at least 12 months. For blind persons aged 55–64, inability to engage in usual occupation.	
1967		Disability that precludes engagement in any substantial gainful work existing in the national economy. For surviving spouse, disability precludes any gainful activity.	
1990		More restrictive definition for surviving spouse eliminated.	
1954	Period of disability	Continuous period of at least 6 months as defined above or of blindness.	
1972		At least 5 months of disability.	
1935	Fully insured	Cumulative wages of \$2,000 and employment in each of 5 years after 1936 and before attainment of age 65.	
1939		QC equal to one-half the quarters elapsed after 1936 (or quarter in which age 21 attained) and before quarter of death or attainment of age 65. Minimum 6 QC, maximum 40 QC.	
1950		Elapsed period measured after 1950 (QC earned at any time are used).	
1954		Period of disability excluded from elapsed period. Alternatively, QC earned in all quarters after 1954 and before quarter in which age 65 attained (minimum 6 QC).	
1956		Elapsed period measured to age 62 for women. Alternatively, QC earned in all except 4 quarters after 1954 and before quarter in which age 65 attained (62 for women).	
1960		QC reduced to 1/3 the elapsed quarters.	
1961		QC equal to years elapsed after 1950 (or year age 21 attained) and before year of death or age 65 (62 for women).	
1972		Elapsed period for men reaching age 62 after 1972, measured to age 62 or to 1975, if later.	
1983		Any person aged 55 or older on Jan. 1, 1984, and employed by a nonprofit organization to whose employees coverage is extended solely by reason of the new compulsory coverage provision, will be deemed fully insured upon subsequently acquiring 6 QC if aged 60 or older on Jan. 1, 1984; 8 QC if aged 59; 12 QC if aged 58; 16 QC if aged 57; and 20 QC if aged 55 or 56.	

Table 2.A7—Insured status (benefit eligibility)—Continued

Year enacted	Eligibility concept	Provision	
1939	Currently insured	6 QC earned in 12 quarters before quarter of death.	
1946		6 QC earned in preceding 13 quarters, including quarter of death.	
1950		Including quarter of retirement added.	
1954		Including quarter of disablement added.	
1954	Disability insured	20 QC earned in last 40 quarters, including quarter of disablement, and currently insured.	
1956		Fully insured requirement added.	
1958		Currently insured requirement eliminated.	
1960		Alternatively, 20 QC earned before quarter of disablement (not necessarily in last 40 quarters) but QC earned in all quarters after 1950, with minimum of 6 QC.	
1965		Alternatively, for blind under age 31, QC earned in one-half the quarters elapsed after age 21, with minimum of 6 QC. For blind under age 24, 6 QC earned in preceding 12 quarters.	
1967		For all disabled under age 31, same alternative.	
1972		For blind, requirement for recent QC eliminated.	
1983		For those who become disabled again at age 31 or older and who were previously disabled before age 31, same alternative as that for those under age 31.	
1965		Transitionally insured	Same as fully insured, but minimum reduced to 3 QC.
1966			Requirement for special age-72 monthly benefit
		3 QC for each year elapsed after 1966 and before attainment of age 72. (No QC if aged 72 before 1968.)	

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2001; regulations issued under the Act; and precedential case decisions (rulings). Specific laws, regulations, rulings, legislation, and a link to the *Federal Register* can be found at www.ssa.gov/regulations/index.htm. Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2002," *Federal Register*, vol. 66, no. 207 (October 25, 2001).

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