

1996 Social Security Information

- o Tax Rate\*: Employee and employer each -- 7.65% (6.20% - OASDI, 1.45% - HI)  
 Self-employed ----- 15.30% (12.40% - OASDI, 2.90% - HI)  
 \* Social Security tax for employers and self-employed can be partially offset under income tax rules.
  
- o Maximum Taxable Earnings Base: OASDI-- \$62,700; HI-- No limit
  
- o Maximum FICA/SECA Taxes:
 

	<u>OASDI</u>	<u>HI</u>
Employee/employer -----	\$3,887.40	No limit
Self-employed -----	7,774.80	No limit
  
- o OASDI Workers Covered (in millions):
 

	<u>Wages</u>	<u>Self-employed</u>	<u>Combined</u>
1996 (est.)--	134.4	13.8	142.5
  
- o Earnings Required for a Quarter of Coverage: \$640; (\$2,560 for four)
  
- o Retirement Test Exempt Amounts:
  - Age 65-69 ----- \$12,500 annually, \$1,041 monthly (\$1 for \$3 withholding rate)
  - Under age 65 -- \$ 8,280 annually, \$690 monthly (\$1 for \$2 withholding rate)
  
- o Supplementary Medical Insurance Premium: \$42.50 per month
  
- o Substantial Gainful Activity: \$500/mo. nonblind, disabled; \$960/mo. blind
  
- o Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 1996)

<u>Primary Insurance Amount (PIA)</u>	<u>OASI Maximum Family Benefit (MFB)</u>
90% of first \$437 of AIME, plus	150% of first \$559 of PIA, plus
32% of AIME over \$437 thru \$2,635, plus	272% of PIA over \$559 thru \$806, plus
15% of AIME over \$2,635	134% of PIA over \$806 thru \$1052, plus
	175% of PIA over \$1052
(DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)	

<u>Average Monthly Benefits</u> :	<u>12/93</u>	<u>12/94</u>	<u>12/95</u>
Retired worker-----	\$ 674	\$ 697	\$ 720
Retired worker and aged spouse-----	1,140	1,178	1,215
Disabled worker-----	642	661	682
Disabled worker, spouse and children--	1,093	1,120	1,140
Aged widow(er)-----	631	655	680
Widowed mother/father and 2 children--	1,289	1,338	1,377

<u>Benefits for 1996 Retirees</u> :	<u>Age 62</u>		<u>Age 65</u>	
	<u>1/96 PIA</u>	<u>Benefit</u>	<u>1/96 PIA</u>	<u>Benefit</u>
Low earner (45% of avg. wages)	\$ 538.50	\$430	\$ 537.20	\$ 537

Average earner	887.30	709	886.60	886
Maximum earner	1,249.90	999	1,248.90	1,248

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

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

SSA/OLCA  
04/01/96

o Average Wage Level: 1993 -- \$23,132.67; 1994 -- \$23,753.53

o Age-72 Payments (December 1994):

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

Individual	\$193.40	\$193.40
Couple	290.10	386.80

o Minimum PIA: (generally eliminated for workers eligible after 1981)

For workers age 62 before 1979-- \$282.20 effective 12/95.  
For retired workers age 62 in 1979-81, the minimum PIA effective 12/95 can range from \$224.00 to \$282.50 depending on age and year of entitlement.  
For survivors of certain workers who died before 1982, the minimum PIA effective 1/96 can be as low as \$122.

o Special Minimum PIA (12/95):

Approximately \$26.65 per year of coverage over 10 years; highest special minimum PIA equals \$532.90 based on 30 years of coverage.

o Minimum Earnings for Year of Coverage:      1994      1995      1996

--Special Minimum -----	\$ 6,750	\$ 6,795	\$ 6,975
--Windfall Elimination Provision -----	\$11,250	\$11,325	\$11,625

o Number of OASDI Beneficiaries (at end of December 1995):

--Total OASDI beneficiaries-----	43.4 million
--OASI beneficiaries-----	37.5 million
-Retired workers-----	26.7 million
-Families and survivors-----	10.9 million
--DI beneficiaries-----	5.9 million
-Disabled workers-----	4.2 million
-Family members-----	1.7 million

o Trust Fund Operations (in billions):

<u>Calendar Year</u>	<u>Fund</u>	<u>Income</u>	<u>Outgo</u>	<u>Fund at End of Year</u>
1994	OASI	\$328.3	\$284.1	\$413.5
	DI	52.8	38.9	22.9
1995a/	OASI	\$347.4	\$297.3	\$463.5

DI 57.9 42.7 38.1

a/ Estimated

o SSI Payment Standard: \$470 individual, \$705 couple (effect. 1/96)

o SSI Expenditures FY 1995:

Number of beneficiaries as of 9/95 ----- 6.5 million

Federal SSI payments----- \$24.2 billion

Fed. Administered State Supplements ---- 3.2 billion

o Census Bureau Poverty Threshold:      1992      1993      1994

Aged individual----- \$ 6,729      \$ 6,930      \$ 7,108

Couple, aged head----- 8,487      8,740      8,967

Family of four----- 14,335      14,763      15,141

o Social Security Information: 1-800-SSA-1213

o Congressional Relations Staff: (410) 965-3929