

Detailed Single Year Tables
Category of Change: Taxation of Benefits

Proposed Provision: H2. Starting in 2025, tax Social Security benefits in a manner similar to private pension income. Phase out the lower-income thresholds during 2025-2044.

Proposal				Change from Current Law			
Expressed as a percentage of current-law taxable payroll				Expressed as a percentage of current-law taxable payroll			
<u>Year</u>	<u>Cost Rate</u>	<u>Income Rate</u>	Trust Fund	<u>Cost Rate</u>	<u>Income Rate</u>	<u>Annual Balance</u>	<u>Annual Balance</u>
			Ratio				
			1-1-year				
2024	14.71	13.03	-1.68	188	0.00	0.00	0.00
2025	15.00	13.01	-2.00	171	0.00	0.12	0.12
2026	15.20	13.23	-1.97	153	-0.00	0.16	0.16
2027	15.36	13.29	-2.08	136	-0.00	0.18	0.18
2028	15.42	13.33	-2.09	120	-0.00	0.19	0.19
2029	15.47	13.37	-2.10	105	-0.00	0.21	0.21
2030	15.53	13.40	-2.13	90	-0.00	0.22	0.22
2031	15.57	13.43	-2.14	75	-0.00	0.23	0.23
2032	15.60	13.46	-2.15	61	-0.00	0.24	0.24
2033	15.66	13.51	-2.15	47	-0.00	0.24	0.25
2034	15.77	13.53	-2.25	33	-0.00	0.25	0.25
2035	15.88	13.54	-2.34	19	-0.00	0.25	0.26
2036	15.99	13.55	-2.43	5	-0.00	0.26	0.26
2037	16.09	13.56	-2.53	—	-0.00	0.26	0.26
2038	16.18	13.57	-2.60	—	-0.00	0.26	0.26
2039	16.25	13.58	-2.67	—	-0.00	0.26	0.26
2040	16.32	13.58	-2.73	—	-0.00	0.26	0.26
2041	16.38	13.59	-2.79	—	-0.00	0.26	0.26
2042	16.43	13.59	-2.84	—	-0.00	0.26	0.26
2043	16.48	13.59	-2.89	—	-0.00	0.25	0.26
2044	16.52	13.59	-2.92	—	-0.00	0.25	0.25
2045	16.55	13.59	-2.96	—	-0.00	0.25	0.25
2046	16.59	13.59	-2.99	—	-0.00	0.24	0.24
2047	16.62	13.59	-3.03	—	-0.00	0.24	0.24
2048	16.66	13.59	-3.07	—	-0.00	0.24	0.24
2049	16.71	13.59	-3.11	—	-0.00	0.23	0.23
2050	16.76	13.59	-3.16	—	-0.00	0.23	0.23
2051	16.81	13.60	-3.21	—	-0.00	0.23	0.23
2052	16.87	13.60	-3.27	—	-0.00	0.23	0.23
2053	16.93	13.60	-3.33	—	-0.00	0.22	0.23
2054	17.00	13.61	-3.39	—	-0.00	0.22	0.22
2055	17.08	13.61	-3.47	—	-0.00	0.22	0.22
2056	17.16	13.62	-3.54	—	-0.00	0.22	0.22
2057	17.24	13.62	-3.62	—	-0.00	0.22	0.22
2058	17.33	13.63	-3.70	—	-0.00	0.22	0.22
2059	17.42	13.63	-3.78	—	-0.00	0.22	0.22
2060	17.50	13.64	-3.86	—	-0.00	0.21	0.22
2061	17.58	13.64	-3.94	—	-0.00	0.21	0.21
2062	17.65	13.65	-4.00	—	-0.00	0.21	0.21
2063	17.72	13.65	-4.07	—	-0.00	0.21	0.21
2064	17.79	13.66	-4.13	—	-0.00	0.21	0.21
2065	17.85	13.66	-4.19	—	-0.00	0.21	0.21
2066	17.92	13.67	-4.25	—	-0.00	0.21	0.21
2067	17.98	13.67	-4.31	—	-0.00	0.21	0.21
2068	18.05	13.67	-4.37	—	-0.00	0.21	0.21
2069	18.11	13.68	-4.43	—	-0.00	0.21	0.21
2070	18.18	13.68	-4.50	—	-0.00	0.20	0.21
2071	18.25	13.69	-4.56	—	-0.00	0.20	0.21
2072	18.31	13.69	-4.62	—	-0.00	0.20	0.20
2073	18.37	13.70	-4.68	—	-0.00	0.20	0.20
2074	18.43	13.70	-4.73	—	-0.00	0.20	0.20
2075	18.48	13.71	-4.78	—	-0.00	0.20	0.20
2076	18.53	13.71	-4.82	—	-0.00	0.20	0.20
2077	18.56	13.71	-4.85	—	-0.00	0.20	0.20
2078	18.58	13.71	-4.87	—	-0.00	0.20	0.20
2079	18.59	13.71	-4.88	—	-0.00	0.20	0.20
2080	18.60	13.71	-4.88	—	-0.00	0.20	0.20
2081	18.59	13.71	-4.87	—	-0.00	0.20	0.20
2082	18.57	13.71	-4.86	—	-0.00	0.20	0.20
2083	18.55	13.71	-4.84	—	-0.00	0.20	0.20
2084	18.51	13.71	-4.80	—	-0.00	0.20	0.20
2085	18.47	13.70	-4.77	—	-0.00	0.19	0.20
2086	18.42	13.70	-4.72	—	-0.00	0.19	0.19
2087	18.36	13.70	-4.67	—	-0.00	0.19	0.19
2088	18.30	13.69	-4.61	—	-0.00	0.19	0.19
2089	18.24	13.68	-4.56	—	-0.00	0.19	0.19
2090	18.19	13.68	-4.51	—	-0.00	0.19	0.19
2091	18.14	13.68	-4.47	—	-0.00	0.19	0.19
2092	18.10	13.67	-4.43	—	-0.00	0.19	0.19
2093	18.08	13.67	-4.41	—	-0.00	0.19	0.19
2094	18.07	13.67	-4.40	—	-0.00	0.19	0.19
2095	18.07	13.67	-4.40	—	-0.00	0.19	0.19
2096	18.08	13.67	-4.41	—	-0.00	0.19	0.19
2097	18.09	13.67	-4.42	—	-0.00	0.19	0.19
2098	18.12	13.67	-4.45	—	-0.00	0.19	0.19
2099	18.16	13.68	-4.48	—	-0.00	0.19	0.19

Summarized Estimates: Proposal				
	Cost Rate	Income Rate	Actuarial Balance	Year of reserve depletion ¹
2024				
-2098	17.30%	14.01%	-3.28%	2036

Summarized Estimates: Change from Current Law			
	Cost Rate	Income Rate	Actuarial Balance
	-0.00%	0.21%	0.22%

¹ Under current law, the year of Trust Fund reserve depletion is 2035.