

## Immediate Benefit Reductions and Tax-Rate Increases that Would Eliminate Long-Range Social Security Actuarial Deficits

Year	<u>Percentage Reduction in OASDI Benefits</u>		<u>Increase in Payroll Tax Rate</u>	
	Apply to all benefits payable in the year and later	Apply only to beneficiaries who become eligible in the year and later	Increase in combined payroll tax rate starting in the year	Percentage increase in payroll taxes paid starting in the year
	<i>change required for 75-year balance <u>1/</u></i>		<i>change required for 75-year balance <u>1/</u></i>	
2003	13.0%	15.1%	1.92	15.5%
2004	13.2%	15.6%	1.96	15.8%
2005	13.4%	15.9%	2.00	16.1%
2006	13.6%	16.2%	2.05	16.5%
2007	13.8%	16.5%	2.10	16.9%
2008	14.0%	16.9%	2.15	17.3%
2009	14.2%	17.3%	2.20	17.7%
2010	14.5%	17.6%	2.25	18.1%
	<i>change required for infinite-future balance</i>		<i>change required for infinite-future balance</i>	
2003	22.7%	25.1%	3.77	30.4%
2004	23.0%	25.7%	3.83	30.9%
2005	23.2%	26.0%	3.89	31.4%
2006	23.3%	26.2%	3.95	31.9%
2007	23.6%	26.6%	4.01	32.4%
2008	23.9%	26.9%	4.08	32.9%
2009	24.1%	27.2%	4.14	33.4%
2010	24.3%	27.6%	4.21	34.0%

1/ For the valuation period 2003 through 2077.

Source: Office of the Chief Actuary, Social Security Administration  
Based on the intermediate assumptions of the 2003 OASDI Trustees Report  
April 9, 2003