

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A8—Factors for indexing earnings in a benefit computation, 1951–2024—Continued

| Year | Annual maximum taxable earnings (dollars) | Average annual wage ^a (dollars) | Factors for workers who were first eligible (attained age 62, became disabled, or died) in ^b — | | | | | | | |
|------|---|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| 2000 | 76,200 | 32,154.82 | 1.2565917 | 1.2854984 | 1.2661122 | 1.2960368 | 1.3366460 | 1.3783834 | 1.3960010 | 1.4455537 |
| 2001 | 80,400 | 32,921.92 | 1.2273124 | 1.2555455 | 1.2366110 | 1.2658384 | 1.3055013 | 1.3462663 | 1.3634733 | 1.4118715 |
| 2002 | 84,900 | 33,252.09 | 1.2151260 | 1.2430789 | 1.2243324 | 1.2532695 | 1.2925386 | 1.3328988 | 1.3499350 | 1.3978526 |
| 2003 | 87,000 | 34,064.95 | 1.1861306 | 1.2134164 | 1.1951173 | 1.2233639 | 1.2616960 | 1.3010931 | 1.3177228 | 1.3644969 |
| 2004 | 87,900 | 35,648.55 | 1.1334396 | 1.1595134 | 1.1420271 | 1.1690189 | 1.2056482 | 1.2432952 | 1.2591861 | 1.3038825 |
| 2005 | 90,000 | 36,952.94 | 1.0934307 | 1.1185841 | 1.1017150 | 1.1277541 | 1.1630904 | 1.1994085 | 1.2147385 | 1.2578572 |
| 2006 | 94,200 | 38,651.41 | 1.0453818 | 1.0694298 | 1.0533021 | 1.0781969 | 1.1119804 | 1.1467025 | 1.1613589 | 1.2025828 |
| 2007 | 97,500 | 40,405.48 | 1.0000000 | 1.0230041 | 1.0075764 | 1.0313905 | 1.0637074 | 1.0969222 | 1.1109424 | 1.1503766 |
| 2008 | 102,000 | 41,334.97 | 1.0000000 | 1.0000000 | 0.9849193 | 1.0081979 | 1.0397881 | 1.0722560 | 1.0859609 | 1.1245084 |
| 2009 | 106,800 | 40,711.61 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0236350 | 1.0557089 | 1.0886740 | 1.1025887 | 1.1417264 |
| 2010 | 106,800 | 41,673.83 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0313333 | 1.0635372 | 1.0771307 | 1.1153647 |
| 2011 | 106,800 | 42,979.61 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0312255 | 1.0444059 | 1.0814784 |
| 2012 | 110,100 | 44,321.67 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0127813 | 1.0487312 |
| 2013 | 113,700 | 44,888.16 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0354962 |
| 2014 | 117,000 | 46,481.52 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2015 | 118,500 | 48,098.63 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2016 | 118,500 | 48,642.15 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2017 | 127,200 | 50,321.89 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2018 | 128,400 | 52,145.80 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2019 | 132,900 | 54,099.99 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2020 | 137,700 | 55,628.60 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2021 | 142,800 | 60,575.07 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2022 | 147,000 | 63,795.13 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2023 | 160,200 | 66,621.80 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2024 | 168,600 | -- | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A8—Factors for indexing earnings in a benefit computation, 1951–2024—Continued

| Year | Annual maximum taxable earnings (dollars) | Average annual wage ^a (dollars) | Factors for workers who were first eligible (attained age 62, became disabled, or died) in ^b — | | | | | | | |
|------|---|--|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 2000 | 76,200 | 32,154.82 | 1.4958451 | 1.5127483 | 1.5649875 | 1.6217102 | 1.6824846 | 1.7300237 | 1.8838566 | 1.9839990 |
| 2001 | 80,400 | 32,921.92 | 1.4609910 | 1.4775004 | 1.5285223 | 1.5839234 | 1.6432817 | 1.6897131 | 1.8399616 | 1.9377706 |
| 2002 | 84,900 | 33,252.09 | 1.4464844 | 1.4628299 | 1.5133452 | 1.5681962 | 1.6269651 | 1.6729354 | 1.8216921 | 1.9185299 |
| 2003 | 87,000 | 34,064.95 | 1.4119683 | 1.4279237 | 1.4772336 | 1.5307758 | 1.5881424 | 1.6330158 | 1.7782228 | 1.8727498 |
| 2004 | 87,900 | 35,648.55 | 1.3492451 | 1.3644917 | 1.4116111 | 1.4627748 | 1.5175930 | 1.5604730 | 1.6992296 | 1.7895575 |
| 2005 | 90,000 | 36,952.94 | 1.3016185 | 1.3163269 | 1.3617831 | 1.4111408 | 1.4640240 | 1.5053904 | 1.6392490 | 1.7263885 |
| 2006 | 94,200 | 38,651.41 | 1.2444211 | 1.2584832 | 1.3019419 | 1.3491306 | 1.3996899 | 1.4392386 | 1.5672150 | 1.6505253 |
| 2007 | 97,500 | 40,405.48 | 1.1903987 | 1.2038503 | 1.2454224 | 1.2905626 | 1.3389270 | 1.3767588 | 1.4991796 | 1.5788732 |
| 2008 | 102,000 | 41,334.97 | 1.1636305 | 1.1767796 | 1.2174169 | 1.2615420 | 1.3088189 | 1.3457999 | 1.4654679 | 1.5433695 |
| 2009 | 106,800 | 40,711.61 | 1.1814475 | 1.1947980 | 1.2360575 | 1.2808582 | 1.3288590 | 1.3664063 | 1.4879065 | 1.5670009 |
| 2010 | 106,800 | 41,673.83 | 1.1541687 | 1.1672109 | 1.2075178 | 1.2512841 | 1.2981766 | 1.3348569 | 1.4535518 | 1.5308199 |
| 2011 | 106,800 | 42,979.61 | 1.1191035 | 1.1317495 | 1.1708317 | 1.2132683 | 1.2587362 | 1.2943021 | 1.4093909 | 1.4843115 |
| 2012 | 110,100 | 44,321.67 | 1.0852170 | 1.0974801 | 1.1353789 | 1.1765306 | 1.2206217 | 1.2551106 | 1.3667145 | 1.4393666 |
| 2013 | 113,700 | 44,888.16 | 1.0715215 | 1.0836298 | 1.1210504 | 1.1616827 | 1.2052174 | 1.2392711 | 1.3494665 | 1.4212017 |
| 2014 | 117,000 | 46,481.52 | 1.0347904 | 1.0464836 | 1.0826214 | 1.1218609 | 1.1639032 | 1.1967896 | 1.3032076 | 1.3724837 |
| 2015 | 118,500 | 48,098.63 | 1.0000000 | 1.0113001 | 1.0462229 | 1.0841431 | 1.1247720 | 1.1565527 | 1.2593928 | 1.3263399 |
| 2016 | 118,500 | 48,642.15 | 1.0000000 | 1.0000000 | 1.0345326 | 1.0720291 | 1.1122039 | 1.1436295 | 1.2453206 | 1.3115195 |
| 2017 | 127,200 | 50,321.89 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0362449 | 1.0750787 | 1.1054553 | 1.2037519 | 1.2677411 |
| 2018 | 128,400 | 52,145.80 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0374755 | 1.0667897 | 1.1616481 | 1.2233992 |
| 2019 | 132,900 | 54,099.99 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0282553 | 1.1196873 | 1.1792078 |
| 2020 | 137,700 | 55,628.60 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0889195 | 1.1468045 |
| 2021 | 142,800 | 60,575.07 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0531582 |
| 2022 | 147,000 | 63,795.13 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2023 | 160,200 | 66,621.80 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |
| 2024 | 168,600 | -- | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 | 1.0000000 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: -- = not available.

- a. National average wage levels. For years before 1978, average wages were determined from wages earned during the first quarter of the year and reported to the Social Security Administration (SSA) for Social Security tax purposes. These wages were then multiplied by 4 to obtain the average wage for the year. For 1973–1977 from data collected on all taxable wages reported to SSA; for 1957–1972, based on 1 percent statistical sample; for 1951–1956, based on 1/10 of 1 percent statistical sample. For 1978–1984, from wage data collected by the Internal Revenue Service during processing of annual tax returns. For years after 1984, from W-2 data processed by SSA. For years after 1977, the average wage amounts have been adjusted to be consistent with the pre-1978 series.
- b. The indexing factor for a given year represents the ratio of the average annual wage for the second year before the year of first eligibility to the average annual wage for the year to be indexed. Multiplying a worker's covered earnings, up to the maximum taxable amounts for various years after 1951, by the indicated factors gives the indexed earnings. Earnings in the year before the year of first eligibility, and any earnings thereafter, are not indexed. The actual taxable earnings for those years are considered in calculating the average indexed monthly earnings (AIME).

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A9—Indexed earnings for workers with maximum earnings, 1951–2024 (in dollars)—Continued

| Year | Annual maximum taxable earnings | Average annual wage ^a | Annual maximum indexed earnings for workers who were first eligible (attained age 62, became disabled, or died) in ^b — | | | | | | | |
|------|---------------------------------|----------------------------------|---|------------|------------|------------|------------|------------|------------|------------|
| | | | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| 2000 | 76,200 | 32,154.82 | 113,983.40 | 115,271.42 | 119,252.04 | 123,574.32 | 128,205.33 | 131,827.80 | 143,549.87 | 151,180.72 |
| 2001 | 80,400 | 32,921.92 | 117,463.68 | 118,791.03 | 122,893.20 | 127,347.44 | 132,119.85 | 135,852.93 | 147,932.92 | 155,796.76 |
| 2002 | 84,900 | 33,252.09 | 122,806.53 | 124,194.25 | 128,483.01 | 133,139.85 | 138,129.34 | 142,032.22 | 154,661.66 | 162,883.19 |
| 2003 | 87,000 | 34,064.95 | 122,841.24 | 124,229.36 | 128,519.33 | 133,177.49 | 138,168.39 | 142,072.37 | 154,705.38 | 162,929.24 |
| 2004 | 87,900 | 35,648.55 | 118,598.64 | 119,938.82 | 124,080.62 | 128,577.90 | 133,396.42 | 137,165.58 | 149,362.28 | 157,302.10 |
| 2005 | 90,000 | 36,952.94 | 117,145.66 | 118,469.42 | 122,560.48 | 127,002.67 | 131,762.16 | 135,485.13 | 147,532.41 | 155,374.96 |
| 2006 | 94,200 | 38,651.41 | 117,224.47 | 118,549.12 | 122,642.93 | 127,088.10 | 131,850.79 | 135,576.27 | 147,631.65 | 155,479.48 |
| 2007 | 97,500 | 40,405.48 | 116,063.87 | 117,375.41 | 121,428.68 | 125,829.85 | 130,545.39 | 134,233.98 | 146,170.01 | 153,940.14 |
| 2008 | 102,000 | 41,334.97 | 118,690.31 | 120,031.52 | 124,176.52 | 128,677.28 | 133,499.53 | 137,271.59 | 149,477.72 | 157,423.68 |
| 2009 | 106,800 | 40,711.61 | 126,178.59 | 127,604.43 | 132,010.94 | 136,795.66 | 141,922.14 | 145,932.19 | 158,908.42 | 167,355.70 |
| 2010 | 106,800 | 41,673.83 | 123,265.22 | 124,658.13 | 128,962.90 | 133,637.14 | 138,645.26 | 142,562.72 | 155,239.33 | 163,491.57 |
| 2011 | 106,800 | 42,979.61 | 119,520.25 | 120,870.84 | 125,044.83 | 129,577.06 | 134,433.02 | 138,231.47 | 150,522.95 | 158,524.47 |
| 2012 | 110,100 | 44,321.67 | 119,482.39 | 120,832.56 | 125,005.22 | 129,536.02 | 134,390.44 | 138,187.68 | 150,475.27 | 158,474.26 |
| 2013 | 113,700 | 44,888.16 | 121,832.00 | 123,208.71 | 127,463.43 | 132,083.33 | 137,033.21 | 140,905.13 | 153,434.35 | 161,590.64 |
| 2014 | 117,000 | 46,481.52 | 121,070.48 | 122,438.59 | 126,666.71 | 131,257.73 | 136,176.67 | 140,024.38 | 152,475.29 | 160,580.60 |
| 2015 | 118,500 | 48,098.63 | 118,500.00 | 119,839.06 | 123,977.42 | 128,470.96 | 133,285.48 | 137,051.49 | 149,238.05 | 157,171.27 |
| 2016 | 118,500 | 48,642.15 | 118,500.00 | 118,500.00 | 122,592.11 | 127,035.45 | 131,796.16 | 135,520.10 | 147,570.49 | 155,415.07 |
| 2017 | 127,200 | 50,321.89 | 127,200.00 | 127,200.00 | 127,200.00 | 131,810.35 | 136,750.01 | 140,613.91 | 153,117.24 | 161,256.67 |
| 2018 | 128,400 | 52,145.80 | 128,400.00 | 128,400.00 | 128,400.00 | 128,400.00 | 133,211.85 | 136,975.79 | 149,155.62 | 157,084.46 |
| 2019 | 132,900 | 54,099.99 | 132,900.00 | 132,900.00 | 132,900.00 | 132,900.00 | 132,900.00 | 136,655.13 | 148,806.44 | 156,716.72 |
| 2020 | 137,700 | 55,628.60 | 137,700.00 | 137,700.00 | 137,700.00 | 137,700.00 | 137,700.00 | 137,700.00 | 149,944.22 | 157,914.98 |
| 2021 | 142,800 | 60,575.07 | 142,800.00 | 142,800.00 | 142,800.00 | 142,800.00 | 142,800.00 | 142,800.00 | 142,800.00 | 150,390.99 |
| 2022 | 147,000 | 63,795.13 | 147,000.00 | 147,000.00 | 147,000.00 | 147,000.00 | 147,000.00 | 147,000.00 | 147,000.00 | 147,000.00 |
| 2023 | 160,200 | 66,621.80 | 160,200.00 | 160,200.00 | 160,200.00 | 160,200.00 | 160,200.00 | 160,200.00 | 160,200.00 | 160,200.00 |
| 2024 | 168,600 | -- | 168,600.00 | 168,600.00 | 168,600.00 | 168,600.00 | 168,600.00 | 168,600.00 | 168,600.00 | 168,600.00 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: -- = not available.

- National average wage levels. For years before 1978, average wages were determined from wages earned during the first quarter of the year and reported to the Social Security Administration (SSA) for Social Security tax purposes. These wages were then multiplied by 4 to obtain the average wage for the year. For 1973–1977 from data collected on all taxable wages reported to SSA; for 1957–1972, based on 1 percent statistical sample; for 1951–1956, based on 1/10 of 1 percent statistical sample. For 1978–1984, from wage data collected by the Internal Revenue Service during processing of annual tax returns. For years after 1984, from W-2 data processed by SSA. For years after 1977, the average wage amounts have been adjusted to be consistent with the pre-1978 series.
- A worker's earnings for each year after 1950 and through the second year before the year of first eligibility are indexed by multiplying covered earnings, up to the maximum taxable amounts, by specified indexing factors (see Table 2.A8). The indexing factor for a given year represents the ratio of the average annual wage for the second year before the year of first eligibility to the average annual wage for the year to be indexed. For example, if the year of first eligibility is 2023, the indexing factor for 1982 is $\$60,575.07 \div 14,531.34$ or 4.1685811. Multiplication of maximum taxable earnings of \$32,400 for 1982 by this factor gives maximum indexed earnings of \$135,062.03 for 1982.

CONTACT: statistics@ssa.gov.

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Table 2.A10—Legislative provisions addressing average monthly wage and average indexed monthly earnings, by year enacted

| Year enacted | Provision |
|--|---|
| Average monthly wage (AMW) | |
| 1939 | Computed using creditable earnings after 1936 and before year of death or retirement, divided by months after 1936 and before quarter of death or retirement, excluding months before age 22 in quarters not covered. |
| 1950 | Alternatively, computed using creditable earnings after 1950 (or year aged 21, if later) and before year of death, year of retirement, or subsequent year (or year age 65 attained if then insured), divided by number of months in those years. |
| 1954 | Earnings and months in 4 years may be excluded in all cases; 5 years if worker has 20 quarters of coverage. Period of disability may be excluded. |
| 1956 | Earnings and months in 5 years may be excluded in all cases. Computation period may end at age 62 for women then insured. |
| 1960 | Earnings may be used for any year after 1950 and before year of retirement but including year of death, with the number of years equal to the years elapsed after 1955 (or year age 26 attained) and before year of death or age 65 attained (62 for women). Same method may be used for earnings after 1936 and years elapsed after 1941. |
| 1972 | Number of years for men reaching age 62 after 1972, measured to age 62 or to 1975, if later. |
| 1977 | For workers who attain age 62, become disabled, or die after 1978, excludes earnings in year of attainment of age 62 and later, computed using creditable earnings after 1936. For workers who attain age 62 after 1978 and before 1984, excludes earnings in year of attainment of age 62 and later, computed using creditable earnings after 1950. |
| Average indexed monthly earnings (AIME) | |
| 1977 | For workers who attain age 62, become disabled, or die after 1978, AIME is computed by using indexed earnings after 1950 for the same computation period applicable in calculating the AMW. Indexed earnings for a given year equal actual creditable earnings multiplied by the national average wage for the second year before worker attains age 62, becomes disabled, or dies, divided by the national average wage for the given year, except that for years after the second year before the worker attains age 62, becomes disabled, or dies, indexed earnings equal actual creditable earnings. |
| 1980 | For disabled workers, the number of years of earnings used equals the number of years elapsed after 1950 (or year age 21 attained, if later) and before year of disability, minus dropout years equal to one-fifth of the number of elapsed years rounded to the next lower integer (to a maximum of 5 dropout years). However, the number of years of earnings used is at least 2. <i>Effective for initial entitlement after June 1980.</i> Disabled workers with computations using fewer than 3 dropout years under the one-fifth rule may be credited with additional dropout years based on child care, up to a total of 3 dropout years. (To receive this credit, a worker must have had no earnings in that year and have been living with his or her child or spouse's child under age 3.) However, the number of years of earnings used is at least 2. <i>Effective July 1981.</i> |
| 1983 | For workers who die after 1978 but before attaining age 62, indexed earnings for a given year equal actual creditable earnings, multiplied by the national average wage for the earlier of (1) the year in which the worker reached or would have reached age 60 or (2) the second year before the survivor becomes eligible for aged or disabled widow(er) benefits, and then divided by the national average wage for the given year. This computation method applies only if it results in a higher benefit. <i>Effective for surviving spouses first eligible after 1984.</i> |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A11—Formulas for computing primary insurance amount (PIA) from average indexed monthly earnings (AIME), and cost-of-living adjustments (COLAs), for workers who were first eligible in 1979 or later, by year of first eligibility

| Eligibility year | Calculation of PIA (based on percentage of AIME) (dollars) | | | First applicable COLA | |
|------------------------|--|-----------------------------|-------------------------------------|-----------------------|---------------------|
| | 90 percent of the first | Plus 32 percent of the next | Plus 15 percent of the amount above | Effective date | Percentage increase |
| <i>Enacted in 1977</i> | | | | | |
| 1979 | 180 | 905 | 1,085 | June 1979 | 9.9 |
| 1980 | 194 | 977 | 1,171 | June 1980 | 14.3 |
| <i>Enacted in 1981</i> | | | | | |
| 1981 | 211 | 1,063 | 1,274 | June 1981 | 11.2 |
| 1982 | 230 | 1,158 | 1,388 | June 1982 | 7.4 |
| <i>Enacted in 1983</i> | | | | | |
| 1983 | 254 | 1,274 | 1,528 | December 1983 | 3.5 |
| 1984 | 267 | 1,345 | 1,612 | December 1984 | 3.5 |
| 1985 | 280 | 1,411 | 1,691 | December 1985 | 3.1 |
| 1986 | 297 | 1,493 | 1,790 | December 1986 | 1.3 |
| 1987 | 310 | 1,556 | 1,866 | December 1987 | 4.2 |
| 1988 | 319 | 1,603 | 1,922 | December 1988 | 4.0 |
| 1989 | 339 | 1,705 | 2,044 | December 1989 | 4.7 |
| 1990 | 356 | 1,789 | 2,145 | December 1990 | 5.4 |
| 1991 | 370 | 1,860 | 2,230 | December 1991 | 3.7 |
| 1992 | 387 | 1,946 | 2,333 | December 1992 | 3.0 |
| 1993 | 401 | 2,019 | 2,420 | December 1993 | 2.6 |
| 1994 | 422 | 2,123 | 2,545 | December 1994 | 2.8 |
| 1995 | 426 | 2,141 | 2,567 | December 1995 | 2.6 |
| 1996 | 437 | 2,198 | 2,635 | December 1996 | 2.9 |
| 1997 | 455 | 2,286 | 2,741 | December 1997 | 2.1 |
| 1998 | 477 | 2,398 | 2,875 | December 1998 | 1.3 |
| 1999 | 505 | 2,538 | 3,043 | December 1999 | ^a 2.5 |
| 2000 | 531 | 2,671 | 3,202 | December 2000 | 3.5 |
| 2001 | 561 | 2,820 | 3,381 | December 2001 | 2.6 |
| 2002 | 592 | 2,975 | 3,567 | December 2002 | 1.4 |
| 2003 | 606 | 3,047 | 3,653 | December 2003 | 2.1 |
| 2004 | 612 | 3,077 | 3,689 | December 2004 | 2.7 |
| 2005 | 627 | 3,152 | 3,779 | December 2005 | 4.1 |
| 2006 | 656 | 3,299 | 3,955 | December 2006 | 3.3 |
| 2007 | 680 | 3,420 | 4,100 | December 2007 | 2.3 |
| 2008 | 711 | 3,577 | 4,288 | December 2008 | 5.8 |
| 2009 | 744 | 3,739 | 4,483 | December 2009 | 0.0 |

(Continued)

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Table 2.A11—Formulas for computing primary insurance amount (PIA) from average indexed monthly earnings (AIME), and cost-of-living adjustments (COLAs), for workers who were first eligible in 1979 or later, by year of first eligibility—Continued

| Eligibility year | Calculation of PIA (based on percentage of AIME) (dollars) | | | First applicable COLA | |
|--------------------------------|--|-----------------------------|-------------------------------------|-----------------------|---------------------|
| | 90 percent of the first | Plus 32 percent of the next | Plus 15 percent of the amount above | Effective date | Percentage increase |
| <i>Enacted in 1983 (cont.)</i> | | | | | |
| 2010 | 761 | 3,825 | 4,586 | December 2010 | 0.0 |
| 2011 | 749 | 3,768 | 4,517 | December 2011 | 3.6 |
| 2012 | 767 | 3,857 | 4,624 | December 2012 | 1.7 |
| 2013 | 791 | 3,977 | 4,768 | December 2013 | 1.5 |
| 2014 | 816 | 4,101 | 4,917 | December 2014 | 1.7 |
| 2015 | 826 | 4,154 | 4,980 | December 2015 | 0.0 |
| 2016 | 856 | 4,301 | 5,157 | December 2016 | 0.3 |
| 2017 | 885 | 4,451 | 5,336 | December 2017 | 2.0 |
| 2018 | 895 | 4,502 | 5,397 | December 2018 | 2.8 |
| 2019 | 926 | 4,657 | 5,583 | December 2019 | 1.6 |
| 2020 | 960 | 4,825 | 5,785 | December 2020 | 1.3 |
| 2021 | 996 | 5,006 | 6,002 | December 2021 | 5.9 |
| 2022 | 1,024 | 5,148 | 6,172 | December 2022 | 8.7 |
| 2023 | 1,115 | 5,606 | 6,721 | December 2023 | 3.2 |
| 2024 | 1,174 | 5,904 | 7,078 | December 2024 | -- |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTES: Eligible workers are those who attained age 62, became disabled, or died in the given year.

For workers newly eligible during 1979–1981, the minimum PIA (based on indexed earnings) is \$122, as established by the 1977 Amendments to the Social Security Act. Automatic COLAs for benefits based on this minimum PIA begin in the year of initial benefit receipt or attainment of age 65, whichever is earlier. In 1981, the minimum PIA provision was eliminated for workers newly eligible after 1981 (or after 1991 for members of certain religious orders).

For workers who attained age 62 during 1979–1983, the PIA cannot be less than that derived using the benefit formula in effect before January 1979.

-- = not available.

a. The COLA for December 1999 was originally determined to be 2.4 percent, based on the Consumer Price Index (CPI). The underlying CPI was later recomputed by the Bureau of Labor Statistics; a 2.5 percent COLA would have been consistent with the recomputed CPI. Pursuant to Public Law 106-554, benefits were calculated and paid in August 2001 and later as if the COLA for December 1999 had been 2.5 percent. Affected beneficiaries received a one-time payment to cover the shortfall that occurred before August 2001.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A11.1—Legislative provisions addressing the computation of primary insurance amount (PIA) based on Windfall Elimination Provision (WEP), by year enacted

| Year effective | Provision | | | | | | | | | | | | | | | | | | | | |
|--------------------------|---|--------------------------|-------------------------|------|----|------|----|------|----|------|----|----------------|----|----|----|----|----|----|----|----|----|
| Enacted in 1983 | | | | | | | | | | | | | | | | | | | | | |
| 1986 | Workers first eligible for pensions based on noncovered employment and disability or retired workers after December 31, 1985. ^a The benefit computation formula uses a reduced factor of the usual first average indexed monthly earnings (AIME) bend point. | | | | | | | | | | | | | | | | | | | | |
| | <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><i>Year eligible</i></th> <th style="text-align: left;"><i>Factor (percent)</i></th> </tr> </thead> <tbody> <tr><td>1986</td><td>80</td></tr> <tr><td>1987</td><td>70</td></tr> <tr><td>1988</td><td>60</td></tr> <tr><td>1989</td><td>50</td></tr> <tr><td>1990 and later</td><td>40</td></tr> </tbody> </table> | <i>Year eligible</i> | <i>Factor (percent)</i> | 1986 | 80 | 1987 | 70 | 1988 | 60 | 1989 | 50 | 1990 and later | 40 | | | | | | | | |
| <i>Year eligible</i> | <i>Factor (percent)</i> | | | | | | | | | | | | | | | | | | | | |
| 1986 | 80 | | | | | | | | | | | | | | | | | | | | |
| 1987 | 70 | | | | | | | | | | | | | | | | | | | | |
| 1988 | 60 | | | | | | | | | | | | | | | | | | | | |
| 1989 | 50 | | | | | | | | | | | | | | | | | | | | |
| 1990 and later | 40 | | | | | | | | | | | | | | | | | | | | |
| | <p>WEP is not applicable to persons who were federal employees or nonprofit employees on January 1, 1984, and who were covered by Social Security on that date with no Civil Service Retirement System coverage; to persons with Railroad Retirement pensions; or to workers with 30 years of substantial Social Security earnings. Workers with 26–29 years of coverage have less than full WEP applied.^b For benefits payable before January 1989:</p> <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><i>Years of coverage</i></th> <th style="text-align: left;"><i>Factor (percent)</i></th> </tr> </thead> <tbody> <tr><td>26</td><td>50</td></tr> <tr><td>27</td><td>60</td></tr> <tr><td>28</td><td>70</td></tr> <tr><td>29</td><td>80</td></tr> </tbody> </table> | <i>Years of coverage</i> | <i>Factor (percent)</i> | 26 | 50 | 27 | 60 | 28 | 70 | 29 | 80 | | | | | | | | | | |
| <i>Years of coverage</i> | <i>Factor (percent)</i> | | | | | | | | | | | | | | | | | | | | |
| 26 | 50 | | | | | | | | | | | | | | | | | | | | |
| 27 | 60 | | | | | | | | | | | | | | | | | | | | |
| 28 | 70 | | | | | | | | | | | | | | | | | | | | |
| 29 | 80 | | | | | | | | | | | | | | | | | | | | |
| Enacted in 1988 | | | | | | | | | | | | | | | | | | | | | |
| 1989 | 5 percent added to factor for each year of coverage over 20. | | | | | | | | | | | | | | | | | | | | |
| | <table style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><i>Years of coverage</i></th> <th style="text-align: left;"><i>Factor (percent)</i></th> </tr> </thead> <tbody> <tr><td>21</td><td>45</td></tr> <tr><td>22</td><td>50</td></tr> <tr><td>23</td><td>55</td></tr> <tr><td>24</td><td>60</td></tr> <tr><td>25</td><td>65</td></tr> <tr><td>26</td><td>70</td></tr> <tr><td>27</td><td>75</td></tr> <tr><td>28</td><td>80</td></tr> <tr><td>29</td><td>85</td></tr> </tbody> </table> | <i>Years of coverage</i> | <i>Factor (percent)</i> | 21 | 45 | 22 | 50 | 23 | 55 | 24 | 60 | 25 | 65 | 26 | 70 | 27 | 75 | 28 | 80 | 29 | 85 |
| <i>Years of coverage</i> | <i>Factor (percent)</i> | | | | | | | | | | | | | | | | | | | | |
| 21 | 45 | | | | | | | | | | | | | | | | | | | | |
| 22 | 50 | | | | | | | | | | | | | | | | | | | | |
| 23 | 55 | | | | | | | | | | | | | | | | | | | | |
| 24 | 60 | | | | | | | | | | | | | | | | | | | | |
| 25 | 65 | | | | | | | | | | | | | | | | | | | | |
| 26 | 70 | | | | | | | | | | | | | | | | | | | | |
| 27 | 75 | | | | | | | | | | | | | | | | | | | | |
| 28 | 80 | | | | | | | | | | | | | | | | | | | | |
| 29 | 85 | | | | | | | | | | | | | | | | | | | | |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A11.1—Legislative provisions addressing the computation of primary insurance amount (PIA) based on Windfall Elimination Provision (WEP), by year enacted—*Continued*

| Year effective | Provision |
|----------------|--|
| | <i>Enacted in 1988 (cont.)</i> |
| 1991 | Earnings required for a year of substantial coverage (decoupled from the definition of a year of coverage for special minimum PIA). ^b |
| | <i>Year</i> <i>Earnings (dollars)</i> |
| | 1991 9,900 |
| | 1992 10,350 |
| | 1993 10,725 |
| | 1994 11,250 |
| | 1995 11,325 |
| | 1996 11,625 |
| | 1997 12,150 |
| | 1998 12,675 |
| | 1999 13,425 |
| | 2000 14,175 |
| | 2001 14,925 |
| | 2002 15,750 |
| | 2003 16,125 |
| | 2004 16,275 |
| | 2005 16,725 |
| | 2006 17,475 |
| | 2007 18,150 |
| | 2008 18,975 |
| | 2009 19,800 |
| | 2010 19,800 |
| | 2011 19,800 |
| | 2012 20,475 |
| | 2013 21,075 |
| | 2014 21,750 |
| | 2015 22,050 |
| | 2016 22,050 |
| | 2017 23,625 |
| | 2018 23,850 |
| | 2019 24,675 |
| | 2020 25,575 |
| | 2021 26,550 |
| | 2022 27,300 |
| | 2023 29,700 |
| | 2024 31,275 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

- a. Reduction in PIA will not be greater than one-half the amount of the pension based on noncovered employment performed after 1956.
- b. See Table 2.A12a. Before 1991, a year of substantial coverage for WEP was the same amount as for the minimum PIA (25 percent of the "old law" contribution and benefit base). For 1991 and following, a year of substantial coverage under WEP provisions remains 25 percent of the old law base, while the criterion for computing the special minimum PIA was changed to 15 percent of the base.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A12a—Special minimum primary insurance amount (PIA): Minimum covered earnings required to qualify for a year of coverage, 1937–2024 (in dollars)

| Year | Earnings required to qualify for a year of coverage |
|------------------------------------|---|
| <i>Enacted in 1972^a</i> | |
| 1937–1950 | b |
| 1951–1954 | 900 |
| 1955–1958 | 1,050 |
| 1959–1965 | 1,200 |
| 1966–1967 | 1,650 |
| 1968–1971 | 1,950 |
| 1972 | 2,250 |
| 1973 | 2,700 |
| 1974 | 3,300 |
| 1975 | 3,525 |
| 1976 | 3,825 |
| 1977 | 4,125 |
| 1978 | 4,425 |
| <i>Enacted in 1977^c</i> | |
| 1979 | 4,725 |
| 1980 | 5,100 |
| 1981 | 5,550 |
| 1982 | 6,075 |
| 1983 | 6,675 |
| 1984 | 7,050 |
| 1985 | 7,425 |
| 1986 | 7,875 |
| 1987 | 8,175 |
| 1988 | 8,400 |
| 1989 | 8,925 |
| 1990 | 9,525 |
| <i>Enacted in 1990^d</i> | |
| 1991 | 5,940 |
| 1992 | 6,210 |
| 1993 | 6,435 |
| 1994 | 6,750 |
| 1995 | 6,795 |
| 1996 | 6,975 |
| 1997 | 7,290 |
| 1998 | 7,605 |
| 1999 | 8,055 |
| 2000 | 8,505 |
| 2001 | 8,955 |
| 2002 | 9,450 |
| 2003 | 9,675 |
| 2004 | 9,765 |
| 2005 | 10,035 |
| 2006 | 10,485 |
| 2007 | 10,890 |
| 2008 | 11,385 |
| 2009 | 11,880 |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A12a—Special minimum primary insurance amount (PIA): Minimum covered earnings required to qualify for a year of coverage, 1937–2024 (in dollars)—Continued

| Year | Earnings required to qualify for a year of coverage |
|--|---|
| <i>Enacted in 1990^d (cont.)</i> | |
| 2010 | 11,880 |
| 2011 | 11,880 |
| 2012 | 12,285 |
| 2013 | 12,645 |
| 2014 | 13,050 |
| 2015 | 13,230 |
| 2016 | 13,230 |
| 2017 | 14,175 |
| 2018 | 14,310 |
| 2019 | 14,805 |
| 2020 | 15,345 |
| 2021 | 15,930 |
| 2022 | 16,380 |
| 2023 | 17,820 |
| 2024 | 18,765 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: The special minimum PIA is payable to some persons who have had covered employment or self-employment for many years at low earnings. The formula computes a benefit based on years of coverage rather than earnings, and it applies only if the resulting benefit exceeds the benefit computed by any other method. The usual rates of actuarial reduction apply for retirement before the full retirement age. Although delayed retirement credits are not applicable to the benefit derived from the special minimum PIA, the benefit will be raised if necessary to equal the benefit derived from the regularly computed PIA plus any delayed retirement credits.

- a. For 1951–1978, the amount of Social Security covered earnings needed for a year of coverage is 25 percent of the effective annual maximum taxable earnings.
- b. For 1937–1950, the years of coverage are determined by the number (not exceeding 14) obtained by dividing total creditable wages in 1937–1950 by \$900 (any remainder is disregarded).
- c. For 1979–1990, the amount of Social Security covered earnings needed for a year of coverage is 25 percent of what the annual maximum taxable earnings would have been if the statutory increases in the maximum under the 1977 amendments had not been enacted (the "old law" contribution and benefit base).
- d. For 1991 and following, a year of substantial coverage under the Windfall Elimination Provision remains 25 percent of the old law base, while the criterion for the special minimum PIA was changed to 15 percent of the base.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A12b—Factors used in computing the special minimum primary insurance amount (PIA), by effective date

| Effective date | Amount ^a per year of coverage over 10 years (dollars) | Maximum amount ^a for workers with 30 or more years of coverage (dollars) |
|----------------|--|---|
| | <i>Enacted in 1972</i> | |
| January 1973 | 8.50 | 170.00 |
| | <i>Enacted in 1973</i> | |
| March 1974 | 9.00 | 180.00 |
| | <i>Enacted in 1977 ^b</i> | |
| January 1979 | 11.50 | 230.00 |
| June 1979 | 12.64 | 252.80 |
| June 1980 | 14.45 | 289.00 |
| June 1981 | 16.07 | 321.40 |
| June 1982 | 17.26 | 345.10 |
| December 1983 | 17.86 | 357.10 |
| December 1984 | 18.49 | 369.50 |
| December 1985 | 19.06 | 380.90 |
| December 1986 | 19.31 | 385.80 |
| December 1987 | 20.12 | 402.00 |
| December 1988 | 20.92 | 418.00 |
| December 1989 | 21.90 | 437.60 |
| December 1990 | 23.08 | 461.20 |
| December 1991 | 23.93 | 478.20 |
| December 1992 | 24.65 | 492.50 |
| December 1993 | 25.29 | 505.30 |
| December 1994 | 26.00 | 519.40 |
| December 1995 | 26.68 | 532.90 |
| December 1996 | 27.45 | 548.30 |
| December 1997 | 28.03 | 559.80 |
| December 1998 | 28.39 | 567.00 |
| December 1999 | ^c 29.10 | ^c 581.10 |
| December 2000 | 30.12 | 601.40 |
| December 2001 | 30.90 | 617.00 |
| December 2002 | 31.33 | 625.60 |
| December 2003 | 31.99 | 638.70 |
| December 2004 | 32.85 | 655.90 |
| December 2005 | 34.20 | 682.70 |
| December 2006 | 35.33 | 705.20 |
| December 2007 | 36.14 | 721.40 |
| December 2008 | 38.24 | 763.20 |
| December 2009 | 38.24 | 763.20 |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A12b—Factors used in computing the special minimum primary insurance amount (PIA), by effective date—Continued

| Effective date | Amount ^a per year of coverage over 10 years (dollars) | Maximum amount ^a for workers with 30 or more years of coverage (dollars) |
|---|--|---|
| <i>Enacted in 1977 ^b (cont.)</i> | | |
| December 2010 | 38.24 | 763.20 |
| December 2011 | 39.62 | 790.60 |
| December 2012 | 40.29 | 804.00 |
| December 2013 | 40.89 | 816.00 |
| December 2014 | 41.59 | 829.80 |
| December 2015 | 41.59 | 832.20 |
| December 2016 | 41.71 | 832.20 |
| December 2017 | 42.54 | 848.80 |
| December 2018 | 43.73 | 872.50 |
| December 2019 | 44.43 | 886.46 |
| December 2020 | 45.01 | 897.98 |
| December 2021 | 47.67 | 950.96 |
| December 2022 | 51.82 | 1,033.69 |
| December 2023 | 53.48 | 1,066.77 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: The special minimum PIA is payable to some persons who have had covered employment or self-employment for many years at low earnings. The formula computes a benefit based on years of coverage rather than earnings, and it applies only if the resulting benefit exceeds the benefit computed by any other method. The usual rates of actuarial reduction apply for retirement before the full retirement age. Although delayed retirement credits are not applicable to the benefit derived from the special minimum PIA, the benefit will be raised if necessary to equal the benefit derived from the regularly computed PIA plus any delayed retirement credits.

- a. The amount effective for a given month applies, as of that month, to all workers from the date of entitlement to benefits.
- b. The 1977 Amendments to the Social Security Act established an initial 1979 factor of \$11.50 per year of coverage and automatic annual cost-of-living increases thereafter, beginning with the June 1979 increase. Factors are obtained by applying cost-of-living increases to the previous year's factor and rounding each one to nearest cent. An approximate PIA may be computed by multiplying factor in year of entitlement by the number of years of coverage in excess of 10 with a maximum of 20. Actual PIAs are published yearly in the *Federal Register*.
- c. The cost-of-living adjustment (COLA) for December 1999 was originally determined to be 2.4 percent, based on the Consumer Price Index (CPI). The underlying CPI was later recomputed by the Bureau of Labor Statistics; a 2.5 percent COLA would have been consistent with the recomputed CPI. Pursuant to Public Law 106-554, benefits were calculated and paid in August 2001 and later as if the COLA for December 1999 had been 2.5 percent. Affected beneficiaries received a one-time payment to cover the shortfall that occurred before August 2001.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A13—Formulas enacted in 1977 for computing Old-Age and Survivors Insurance (OASI) maximum family benefit from primary insurance amount (PIA) and cost-of-living adjustments (COLAs) for workers who were first eligible in 1979 or later, by year of first eligibility

| Eligibility year | Calculation of maximum family benefit (based on percentage of PIA) (dollars) | | | | First applicable COLA | |
|------------------|--|------------------------------|------------------------------|--------------------------------------|-----------------------|---------------------|
| | 150 percent of the first | Plus 272 percent of the next | Plus 134 percent of the next | Plus 175 percent of the amount above | Effective date | Percentage increase |
| 1979 | 230 | 102 | 101 | 433 | June 1979 | 9.9 |
| 1980 | 248 | 110 | 109 | 467 | June 1980 | 14.3 |
| 1981 | 270 | 120 | 118 | 508 | June 1981 | 11.2 |
| 1982 | 294 | 131 | 129 | 554 | June 1982 | 7.4 |
| 1983 | 324 | 144 | 142 | 610 | December 1983 | 3.5 |
| 1984 | 342 | 151 | 150 | 643 | December 1984 | 3.5 |
| 1985 | 358 | 159 | 158 | 675 | December 1985 | 3.1 |
| 1986 | 379 | 169 | 166 | 714 | December 1986 | 1.3 |
| 1987 | 396 | 175 | 174 | 745 | December 1987 | 4.2 |
| 1988 | 407 | 181 | 179 | 767 | December 1988 | 4.0 |
| 1989 | 433 | 193 | 190 | 816 | December 1989 | 4.7 |
| 1990 | 455 | 201 | 200 | 856 | December 1990 | 5.4 |
| 1991 | 473 | 209 | 208 | 890 | December 1991 | 3.7 |
| 1992 | 495 | 219 | 217 | 931 | December 1992 | 3.0 |
| 1993 | 513 | 227 | 226 | 966 | December 1993 | 2.6 |
| 1994 | 539 | 240 | 237 | 1,016 | December 1994 | 2.8 |
| 1995 | 544 | 241 | 239 | 1,024 | December 1995 | 2.6 |
| 1996 | 559 | 247 | 246 | 1,052 | December 1996 | 2.9 |
| 1997 | 581 | 258 | 255 | 1,094 | December 1997 | 2.1 |
| 1998 | 609 | 271 | 267 | 1,147 | December 1998 | 1.3 |
| 1999 | 645 | 286 | 283 | 1,214 | December 1999 | ^a 2.5 |
| 2000 | 679 | 301 | 298 | 1,278 | December 2000 | 3.5 |
| 2001 | 717 | 317 | 315 | 1,349 | December 2001 | 2.6 |
| 2002 | 756 | 336 | 332 | 1,424 | December 2002 | 1.4 |
| 2003 | 774 | 344 | 340 | 1,458 | December 2003 | 2.1 |
| 2004 | 782 | 347 | 343 | 1,472 | December 2004 | 2.7 |
| 2005 | 801 | 355 | 352 | 1,508 | December 2005 | 4.1 |
| 2006 | 838 | 372 | 368 | 1,578 | December 2006 | 3.3 |
| 2007 | 869 | 386 | 381 | 1,636 | December 2007 | 2.3 |
| 2008 | 909 | 403 | 399 | 1,711 | December 2008 | 5.8 |
| 2009 | 950 | 422 | 417 | 1,789 | December 2009 | 0.0 |
| 2010 | 972 | 431 | 427 | 1,830 | December 2010 | 0.0 |
| 2011 | 957 | 425 | 421 | 1,803 | December 2011 | 3.6 |
| 2012 | 980 | 435 | 430 | 1,845 | December 2012 | 1.7 |
| 2013 | 1,011 | 448 | 444 | 1,903 | December 2013 | 1.5 |
| 2014 | 1,042 | 463 | 457 | 1,962 | December 2014 | 1.7 |
| 2015 | 1,056 | 468 | 463 | 1,987 | December 2015 | 0.0 |
| 2016 | 1,093 | 485 | 480 | 2,058 | December 2016 | 0.3 |
| 2017 | 1,131 | 502 | 497 | 2,130 | December 2017 | 2.0 |
| 2018 | 1,144 | 507 | 503 | 2,154 | December 2018 | 2.8 |
| 2019 | 1,184 | 524 | 520 | 2,228 | December 2019 | 1.6 |
| 2020 | 1,226 | 544 | 539 | 2,309 | December 2020 | 1.3 |
| 2021 | 1,272 | 565 | 558 | 2,395 | December 2021 | 5.9 |
| 2022 | 1,308 | 581 | 574 | 2,463 | December 2022 | 8.7 |
| 2023 | 1,425 | 631 | 626 | 2,682 | December 2023 | 3.2 |
| 2024 | 1,500 | 666 | 659 | 2,825 | December 2024 | -- |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTES: The 1977 amendments provided for annual automatic adjustments of bend points (PIA brackets) in the maximum family benefit formula in proportion to increases in the average wage level. As a result, separate formulas are applicable to workers first eligible in successive calendar years.

Eligible workers are those who attained age 62 or died in the given year.

-- = not available.

a. The COLA for December 1999 was originally determined to be 2.4 percent, based on the Consumer Price Index (CPI). The underlying CPI was later recomputed by the Bureau of Labor Statistics; a 2.5 percent COLA would have been consistent with the recomputed CPI. Pursuant to Public Law 106-554, benefits were calculated and paid in August 2001 and later as if the COLA for December 1999 had been 2.5 percent. Affected beneficiaries received a one-time payment to cover the shortfall that occurred before August 2001.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A14—Formulas for computing maximum family benefit and cost-of-living adjustments for workers first eligible for disability benefits in 1979 or later, by year of enactment

| Eligibility year | Formula |
|------------------------------------|--|
| <i>Enacted in 1977^a</i> | |
| 1979 ^b | 150% of first \$230 of PIA + 272% of next \$102 of PIA + 134% of next \$101 of PIA + 175% of PIA over \$433 ^c |
| 1980 ^b | 150% of first \$248 of PIA + 272% of next \$110 of PIA + 134% of next \$109 of PIA + 175% of PIA over \$467 ^c |
| <i>Enacted in 1980^d</i> | |
| 1979 or later | Smaller of (1) 85% of the AIME (or 100% of PIA, if larger) and (2) 150% of PIA ^e |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: PIA = primary insurance amount; AIME = average indexed monthly earnings.

- a. The 1977 amendments provided for annual automatic adjustments of bend points (PIA brackets) in maximum family benefit formula in proportion to increases in average wage level. As a result, separate formulas are applicable to workers first eligible in successive calendar years.
- b. Applicability of formula limited to workers with initial entitlement before July 1980, as a result of 1980 amendments.
- c. Calculated amount subject to cost-of-living adjustments beginning with the one effective for June of the year of first eligibility.
- d. Formula for computing maximum family benefit revised effective for workers with initial entitlement in or after July 1980. New formula remains unchanged for workers eligible in successive calendar years because it has no bend points requiring adjustments.
- e. Calculated amount subject to cost-of-living adjustments beginning with the one effective in year of first eligibility (or in 1981, if later).

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A17—Minimum primary insurance amount (PIA) and maximum family benefit for workers who attained age 62, were first eligible for disabled-worker benefits, or died before 1979

| Year enacted | Effective date | Minimum PIA ^a (dollars) | Maximum family benefit | |
|-------------------|----------------|---------------------------------------|---|------------------------------|
| | | | Percentage of AMW | Not less than— |
| 1935 | ... | 10.00 | ... | ... |
| 1939 | ... | ... | Lesser of 80%, \$85, or 200% of PIA | \$20.00 |
| 1950 | September 1950 | 20.00 | 80% of first \$187.50 | \$40.00 |
| 1952 | September 1952 | 25.00 | 80% of first \$210.93 | \$45.00 |
| 1954 | September 1954 | 30.00 | 80% of first \$250 | \$50.00 or 150% of PIA |
| 1958 | January 1959 | 33.00 | 80% of first \$317.50 | \$20.00 + PIA or 150% of PIA |
| 1961 | August 1961 | 40.00 | 80% of first \$317.50 | 150% of PIA |
| 1965 | January 1965 | 44.00 | 80% of first \$370 + 40% of next \$180 | 150% of PIA |
| 1967 | February 1968 | 55.00 | 80% of first \$436 + 40% of next \$214 | 150% of PIA |
| 1969 | January 1970 | 64.00 | 80% of first \$436 + 40% of next \$180 | 150% of PIA |
| 1971 | January 1971 | 70.40 | 88% of first \$436 + 44% of next \$191 ^b | 150% of PIA |
| 1972 | September 1972 | 84.50 | 105.6% of first \$436 + 52.8% of next \$191 ^b | 150% of PIA |
| 1973 ^c | June 1974 | 89.50 | 111.8% of first \$436 + 55.9% of next \$191 ^b | 150% of PIA |
| 1973 ^d | March 1974 | 90.50 | 113.0% of first \$436 + 56.5% of next \$191 ^b | 150% of PIA |
| | June 1974 | 93.80 | 117.2% of first \$436 + 58.6% of next \$191 ^b | 150% of PIA |
| | June 1975 | 101.40 | 126.6% of first \$436 + 63.3% of next \$191 ^b | 150% of PIA |
| | June 1976 | 107.90 | 134.7% of first \$436 + 67.3% of next \$191 ^b | 150% of PIA |
| | June 1977 | 114.30 | 142.6% of first \$436 + 71.3% of next \$191 ^b | 150% of PIA |
| | June 1978 | 121.80 | 151.9% of first \$436 + 76.0% of next \$191 ^b | 150% of PIA |
| | June 1979 | 133.90 | 167.0% of first \$436 + 83.5% of next \$191 ^b | 150% of PIA |
| | June 1980 | 153.10 | 190.9% of first \$436 + 95.4% of next \$191 ^b | 150% of PIA |
| | June 1981 | 170.30 | 212.2% of first \$436 + 106.1% of next \$191 ^b | 150% of PIA |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A17—Minimum primary insurance amount (PIA) and maximum family benefit for workers who attained age 62, were first eligible for disabled-worker benefits, or died before 1979—Continued

| Year enacted | Effective date | Minimum PIA ^a (dollars) | Maximum family benefit | |
|-------------------|----------------------------|---|---|----------------|
| | | | Percentage of AMW | Not less than— |
| 1981 ^e | March 1982 | f | 190.9% of first \$436 + 106.1% of next \$191 ^b | 150% of PIA |
| 1981 | June 1982 | 182.90 | 227.9% of first \$436 + 114.0% of next \$191 ^b | 150% of PIA |
| | December 1983 | 189.30 | 235.9% of first \$436 + 118.0% of next \$191 ^b | 150% of PIA |
| | December 1984 | 195.90 | 244.2% of first \$436 + 122.1% of next \$191 ^b | 150% of PIA |
| | December 1985 | 201.90 | 251.8% of first \$436 + 125.9% of next \$191 ^b | 150% of PIA |
| | December 1986 | 204.50 | 255.1% of first \$436 + 127.5% of next \$191 ^b | 150% of PIA |
| | December 1987 | 213.00 | 265.8% of first \$436 + 132.9% of next \$191 ^b | 150% of PIA |
| | December 1988 | 221.50 | 276.4% of first \$436 + 138.2% of next \$191 ^b | 150% of PIA |
| | December 1989 | 231.90 | 289.4% of first \$436 + 144.7% of next \$191 ^b | 150% of PIA |
| | December 1990 | 244.40 | 305.0% of first \$436 + 152.5% of next \$191 ^b | 150% of PIA |
| | December 1991 | 253.40 | 316.3% of first \$436 + 158.1% of next \$191 ^b | 150% of PIA |
| | December 1992 | 261.00 | 325.8% of first \$436 + 162.8% of next \$191 ^b | 150% of PIA |
| | December 1993 | 267.70 | 334.3% of first \$436 + 167.0% of next \$191 ^b | 150% of PIA |
| | December 1994 | 275.10 | 343.7% of first \$436 + 171.7% of next \$191 ^b | 150% of PIA |
| | December 1995 | 282.20 | 352.6% of first \$436 + 176.2% of next \$191 ^b | 150% of PIA |
| | December 1996 | 290.30 | 362.8% of first \$436 + 181.3% of next \$191 ^b | 150% of PIA |
| | December 1997 | 296.30 | 370.4% of first \$436 + 185.1% of next \$191 ^b | 150% of PIA |
| | December 1998 | 300.10 | 375.2% of first \$436 + 187.5% of next \$191 ^b | 150% of PIA |
| | December 1999 ^g | 307.60 | 384.6% of first \$436 + 192.2% of next \$191 ^b | 150% of PIA |
| | December 2000 | 318.30 | 398.1% of first \$436 + 198.9% of next \$191 ^b | 150% of PIA |
| | December 2001 | 326.50 | 408.5% of first \$436 + 204.1% of next \$191 ^b | 150% of PIA |
| | December 2002 | 331.00 | 414.2% of first \$436 + 206.9% of next \$191 ^b | 150% of PIA |
| | December 2003 | 337.90 | 422.9% of first \$436 + 211.2% of next \$191 ^b | 150% of PIA |
| | December 2004 | 347.00 | 434.3% of first \$436 + 216.9% of next \$191 ^b | 150% of PIA |
| | December 2005 | 361.20 | 452.1% of first \$436 + 225.8% of next \$191 ^b | 150% of PIA |
| | December 2006 | 373.10 | 467.0% of first \$436 + 233.3% of next \$191 ^b | 150% of PIA |
| | December 2007 | 381.60 | 477.7% of first \$436 + 238.7% of next \$191 ^b | 150% of PIA |
| | December 2008 | 403.70 | 505.4% of first \$436 + 252.5% of next \$191 ^b | 150% of PIA |
| | December 2009 | 403.70 | 505.4% of first \$436 + 252.5% of next \$191 ^b | 150% of PIA |
| December 2010 | 403.70 | 505.4% of first \$436 + 252.5% of next \$191 ^b | 150% of PIA | |
| December 2011 | 418.20 | 523.6% of first \$436 + 261.6% of next \$191 ^b | 150% of PIA | |
| December 2012 | 425.30 | 532.5% of first \$436 + 266.0% of next \$191 ^b | 150% of PIA | |
| December 2013 | 431.70 | 540.5% of first \$436 + 265.5% of next \$191 ^b | 150% of PIA | |
| December 2014 | 439.00 | 549.7% of first \$436 + 274.6% of next \$191 ^b | 150% of PIA | |
| December 2015 | 439.00 | 549.7% of first \$436 + 274.6% of next \$191 ^b | 150% of PIA | |
| December 2016 | 440.30 | 551.3% of first \$436 + 275.4% of next \$191 ^b | 150% of PIA | |
| December 2017 | 449.10 | 562.3% of first \$436 + 280.9% of next \$191 ^b | 150% of PIA | |
| December 2018 | 461.70 | 578.0% of first \$436 + 288.8% of next \$191 ^b | 150% of PIA | |
| December 2019 | 469.10 | 587.2% of first \$436 + 293.4% of next \$191 ^b | 150% of PIA | |
| December 2020 | 475.20 | 594.8% of first \$436 + 297.2% of next \$191 ^b | 150% of PIA | |
| December 2021 | 503.20 | 629.9% of first \$436 + 314.7% of next \$191 ^b | 150% of PIA | |
| December 2022 | 550.00 | 684.7% of first \$436 + 342.1% of next \$191 ^b | 150% of PIA | |
| December 2023 | 567.60 | 684.7% of first \$450 + 342.1% of next \$197 ^b | 150% of PIA | |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: AMW = average monthly wage; . . . = not applicable.

- a. Based on earnings; subject to reduction if claimed before age 65.
- b. For AMW of \$628 or more, 175 percent of PIA.
- c. Superseded by legislation in 1973.
- d. Beginning in 1975, minimum PIA and percentages in maximum family benefit formula are subject to automatic cost-of-living increases. (Superseded legislation in 1972 for automatic increases beginning in 1974.)
- e. Superseded by legislation in 1981 that restored the minimum PIA for these groups.
- f. Minimum PIA eliminated by legislation in 1981.
- g. The cost-of-living adjustment (COLA) for December 1999 was originally determined to be 2.4 percent, based on the Consumer Price Index (CPI). The underlying CPI was later recomputed by the Bureau of Labor Statistics; a 2.5 percent COLA would have been consistent with the recomputed CPI. Pursuant to Public Law 106-554, benefits were calculated and paid in August 2001 and later as if the COLA for December 1999 had been 2.5 percent. Affected beneficiaries received a one-time payment to cover the shortfall that occurred before August 2001.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A17.1—Full retirement age (FRA) and maximum reduction of retired-worker benefits, by year of birth

| Year of birth ^a | Year of attainment of age 62 | FRA | Year of attainment of FRA | Maximum reduction months | Maximum reduction at age 62 ^b |
|----------------------------|------------------------------|------------------------|---------------------------|--------------------------|--|
| 1935 | 1997 | 65 years | 2000 | 36 | 0.2000000 |
| 1936 | 1998 | 65 years | 2001 | 36 | 0.2000000 |
| 1937 | 1999 | 65 years | 2002 | 36 | 0.2000000 |
| 1938 | 2000 | 65 years and 2 months | 2003 or 2004 | 38 | 0.2083333 |
| 1939 | 2001 | 65 years and 4 months | 2004 or 2005 | 40 | 0.2166667 |
| 1940 | 2002 | 65 years and 6 months | 2005 or 2006 | 42 | 0.2250000 |
| 1941 | 2003 | 65 years and 8 months | 2006 or 2007 | 44 | 0.2333333 |
| 1942 | 2004 | 65 years and 10 months | 2007 or 2008 | 46 | 0.2416667 |
| 1943–1954 | 2005–2016 | 66 years | 2009–2020 | 48 | 0.2500000 |
| 1955 | 2017 | 66 years and 2 months | 2021 or 2022 | 50 | 0.2583333 |
| 1956 | 2018 | 66 years and 4 months | 2022 or 2023 | 52 | 0.2666667 |
| 1957 | 2019 | 66 years and 6 months | 2023 or 2024 | 54 | 0.2750000 |
| 1958 | 2020 | 66 years and 8 months | 2024 or 2025 | 56 | 0.2833333 |
| 1959 | 2021 | 66 years and 10 months | 2025 or 2026 | 58 | 0.2916667 |
| 1960 or later | 2022 and later | 67 years | 2027 and later | 60 | 0.3000000 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

a. If birthday is January 1, refer to previous year.

b. The monthly reduction factor is 0.0055556 for the 36 months immediately preceding FRA and 0.0041667 for prior months.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A17.2—Full retirement age (FRA) and maximum reduction of widow(er)s' benefits, by year of birth

| Year of birth ^a | Year of attainment of age 60 | FRA | Year of attainment of FRA | Maximum reduction months | Monthly reduction ^b |
|----------------------------|------------------------------|------------------------|---------------------------|--------------------------|--------------------------------|
| 1939 or earlier | 1999 and earlier | 65 years | 2004 and earlier | 60 | 0.475 |
| 1940 | 2000 | 65 years and 2 months | 2005 or 2006 | 62 | 0.460 |
| 1941 | 2001 | 65 years and 4 months | 2006 or 2007 | 64 | 0.445 |
| 1942 | 2002 | 65 years and 6 months | 2007 or 2008 | 66 | 0.432 |
| 1943 | 2003 | 65 years and 8 months | 2008 or 2009 | 68 | 0.419 |
| 1944 | 2004 | 65 years and 10 months | 2009 or 2010 | 70 | 0.407 |
| 1945–1956 | 2005–2016 | 66 years | 2011–2022 | 72 | 0.396 |
| 1957 | 2017 | 66 years and 2 months | 2023 or 2024 | 74 | 0.385 |
| 1958 | 2018 | 66 years and 4 months | 2024 or 2025 | 76 | 0.375 |
| 1959 | 2019 | 66 years and 6 months | 2025 or 2026 | 78 | 0.365 |
| 1960 | 2020 | 66 years and 8 months | 2026 or 2027 | 80 | 0.356 |
| 1961 | 2021 | 66 years and 10 months | 2027 or 2028 | 82 | 0.348 |
| 1962 or later | 2022 and later | 67 years | 2029 and later | 84 | 0.339 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTE: Widows and widowers can elect reduced monthly benefits at age 60 or, if disabled, as early as age 50. Surviving divorced spouses can also receive benefits if married to the worker for at least 10 years and not remarried before age 60 (age 50 if disabled).

a. If birthday is January 1, refer to previous year.

b. Monthly reduction percentages are approximate because of rounding. For survivors whose FRA is 65, the monthly rate of reduction for the first 60 months immediately preceding FRA is 19/40 of 1 percent of the worker's primary insurance amount (PIA), with a maximum reduction of 28.5 percent at age 60. For survivors whose FRA is older than 65, the amount of reduction for each month prior to FRA is adjusted accordingly to ensure that the maximum reduction at age 60 remains 28.5 percent of the worker's PIA.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A17.3—Full retirement age (FRA) and maximum increase for delayed retirement credit, by year of birth

| Year of birth ^a | FRA | Year of attainment of FRA | Credit for delay in claiming retired-worker benefit (percent) | | Maximum credit months | Maximum percentage increase for delay to age 70 ^b |
|----------------------------|------------------------|---------------------------|---|----------|-----------------------|--|
| | | | Per month ^b | Per year | | |
| 1924 | 65 years | 1989 | 0.250 | 3.0 | 60 | 15.000 |
| 1925–1926 | 65 years | 1990–1991 | 0.292 | 3.5 | 60 | 17.500 |
| 1927–1928 | 65 years | 1992–1993 | 0.333 | 4.0 | 60 | 20.000 |
| 1929–1930 | 65 years | 1994–1995 | 0.375 | 4.5 | 60 | 22.500 |
| 1931–1932 | 65 years | 1996–1997 | 0.417 | 5.0 | 60 | 25.000 |
| 1933–1934 | 65 years | 1998–1999 | 0.458 | 5.5 | 60 | 27.500 |
| 1935–1936 | 65 years | 2000–2001 | 0.500 | 6.0 | 60 | 30.000 |
| 1937 | 65 years | 2002 | 0.542 | 6.5 | 60 | 32.500 |
| 1938 | 65 years and 2 months | 2003 or 2004 | 0.542 | 6.5 | 58 | 31.417 |
| 1939 | 65 years and 4 months | 2004 or 2005 | 0.583 | 7.0 | 56 | 32.667 |
| 1940 | 65 years and 6 months | 2005 or 2006 | 0.583 | 7.0 | 54 | 31.500 |
| 1941 | 65 years and 8 months | 2006 or 2007 | 0.625 | 7.5 | 52 | 32.500 |
| 1942 | 65 years and 10 months | 2007 or 2008 | 0.625 | 7.5 | 50 | 31.250 |
| 1943–1954 | 66 years | 2009–2020 | 0.667 | 8.0 | 48 | 32.000 |
| 1955 | 66 years and 2 months | 2021 or 2022 | 0.667 | 8.0 | 46 | 30.667 |
| 1956 | 66 years and 4 months | 2022 or 2023 | 0.667 | 8.0 | 44 | 29.333 |
| 1957 | 66 years and 6 months | 2023 or 2024 | 0.667 | 8.0 | 42 | 28.000 |
| 1958 | 66 years and 8 months | 2024 or 2025 | 0.667 | 8.0 | 40 | 26.667 |
| 1959 | 66 years and 10 months | 2025 or 2026 | 0.667 | 8.0 | 38 | 25.333 |
| 1960 or later | 67 years | 2027 and later | 0.667 | 8.0 | 36 | 24.000 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

a. If birthday is January 1, refer to previous year.

b. Some percentages are approximate because of rounding.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A18—Legislative provisions addressing automatic adjustments to benefit computations

| Year enacted | Provision |
|--|--|
| Quarter of coverage | |
| 1977 | Mandatory annual determination, beginning in 1978, as to whether an adjustment is required in the amount of wages and self-employment earnings an individual needs in order to be credited with a quarter of coverage (QC) in the succeeding year. The amount required for a QC is the product of \$250 (in effect in 1978) multiplied by the following quotient: the national average wage for the year before the year of determination, divided by the average wage for 1976 (see Table 2.A8 for average annual wages after 1950). The resulting product, rounded to the nearest multiple of \$10, is the new amount required for a QC. In no case, however, is the new amount reduced below the amount in effect in the year of determination. |
| Maximum amount of taxable and creditable earnings | |
| 1972 | The 1972 Act (as modified by the legislation in 1973) mandated a determination in 1974, and in every subsequent year in which a cost-of-living benefit increase is established, as to whether an adjustment is required in the maximum amount of annual earnings that will be taxed and credited toward benefits. The determination in the years after 1975 is made by multiplying the "maximum" in effect in the year of determination by the following quotient: the national average wage for the year before the year of determination, divided by the average wage for the year before the most recent year in which an automatic determination was made that resulted in an increase or in which an increase in the maximum was enacted. (See Table 2.A8 for annual amounts of the average wage after 1950). The resulting product, rounded to the nearest multiple of \$300, is the new maximum amount of taxable and creditable earnings, effective with respect to remuneration paid after the year of determination and with respect to taxable years beginning after that year. In no case, however, is the maximum reduced to an amount below the maximum in the year of determination. |
| 1976 | In the 1974 and 1975 determinations, the quotient was the average wage for the year of determination, estimated from data for the first calendar quarter, divided by the corresponding amount for the year before the year of determination. Public Law (P.L.) 94-202 (signed January 2, 1976) revised the adjustment method by increasing by a year the lag in average wages used in the computation. Thus, for example, the determination in 1976 was based on the percentage increase in the average wage from 1974 to 1975. |
| 1977 | Statutory in lieu of automatic increases in the maximum instituted for 1979, 1980, and 1981. Also, for purposes of establishing a "year of coverage" used in the computation of the special minimum primary insurance amount (PIA), annual maximum taxable and creditable earnings after 1978 are the amounts that would have been determined under the automatic adjustment provisions if the statutory increases in the maximum under the 1977 Act had not been enacted (see Table 2.A12a). |
| 1989 | Automatic increases in the maximum for 1990, 1991, and 1992 determined under a transitional rule, specified by the Omnibus Budget Reconciliation Act of 1989, for computing "deemed" average annual wage for 1988, 1989, and 1990. The purpose of the legislation was to include contributions to certain "deferred compensation" plans, most importantly section 401(k) pension plans, in the average annual average wage. |
| 1994 | The determination for years after 1994 is made by multiplying \$60,600, the "maximum" for 1994, by the following quotient: the national average wage index for the year before the year in which the determination is made, divided by the national average wage index for 1992. (See Table 2.A8 for annual amounts of the national average wage index.) The resulting product, rounded to the nearest \$300, is the new maximum amount of taxable and creditable earnings, effective with respect to remuneration paid in (and taxable years beginning in) the year following the year the determination is made. In no case, however, is the new maximum reduced to an amount below the maximum in the year of determination. |
| Benefits Computation | |
| 1977 | New benefit computation method based on average indexed monthly earnings (AIME) after 1950, effective for workers first eligible after 1978. Provision for automatic adjustment of the dollar amounts, or bend points, defining (1) the AIME brackets in the PIA formula (see Table 2.A11) and (2) the PIA brackets in the maximum family benefit formula (see Table 2.A13). New bend points are established by multiplying the bend points in effect in 1979—\$180 and \$1,085 for the PIA formula and \$230, \$332, and \$433 for the maximum family benefit formula—by the following quotient: the national average wage for the second year before the year for which the determination was made, divided by the average wage for 1977 (see Table 2.A8 for average annual wages after 1950). The resulting products, rounded to the nearest dollar, are the new bend points. |
| 1980 | Modified maximum family benefit formula applicable to workers with initial entitlement to disability benefits in or after July 1980 (see Table 2.A14). New formula for disabled workers has no bend points subject to automatic adjustment. |
| Cost-of-living increase | |
| 1972 | Under the original provisions (based on 1972 and 1973 legislation), the arithmetical mean of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for January, February, and March in the year of determination was compared with the arithmetical mean of the CPI for the later of (a) January, February, and March of the year in which the last effective cost-of-living increase was established or (b) the 3 months of the calendar quarter in which the effective month of the last general benefit increase occurred. (Before the introduction, in 1977, of the alternative CPI series for "all urban consumers," or the CPI-U, the CPI-W was referred to as the CPI.) If the percentage increase in the CPI, rounded to the nearest one-tenth of 1 percent, was at least 3.0 (the triggering requirement), a cost-of-living benefit increase was established and the level of benefits was increased by the same percentage, effective for June of the year in which the determination was made. |

(Continued)

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A18—Legislative provisions addressing automatic adjustments to benefit computations—Continued

| Year enacted | Provision |
|--|--|
| <i>Benefits (cont.)</i> | |
| <i>Cost-of-living increase (cont.)</i> | |
| 1983 | <p>The 1983 Act moved the effective date for a cost-of-living benefit increase from June to December, beginning in 1983, and eliminated the "triggering requirement" for the 1983 increase only. Effective with the determination made in 1984, the two periods used in calculating the CPI-W percentage increase were shifted from the first to the third quarter.</p> <p>The 1983 Act also introduced an alternative method for determining the size of a cost-of-living adjustment (COLA). This method, called the stabilizer provision, is applied when the ratio of the combined Old-Age, Survivors, and Disability Insurance trust fund assets to estimated outgo falls below a certain percentage. The "triggering" percentage is 15 percent for 1985–1988 and 20 percent for years after 1988. Under these circumstances, the COLA is based on the lesser of the CPI-W percentage increase determined above or the increase in average wages. The latter increase is the percentage, rounded to the nearest one-tenth of 1 percent by which the national average wage for the year before the year of determination exceeds the average wage for the year before the most recent year in which either a cost-of-living increase or a general benefit increase occurred. (See Table 2.A8 for the annual amount of the average wage after 1950 and footnote a in that table for the underlying data sources.)</p> <p>The 1983 legislation also included a provision for making up any benefit increases that are based on a lower wage increase rather than on the increase in the cost of living. When the fund ratio is greater than 32 percent, additional increases will be provided so that benefits are increased to the level at which they would have been if all increases had been based on the CPI-W. (See Table 2.A19 for the cumulative effect of statutory and automatic increases in benefits.)</p> |
| 1986 | Triggering requirement eliminated for cost-of-living increases in and after 1986 by P.L. 99-509 (signed October 21, 1986). |
| 2001 | The COLA for December 1999 was originally determined to be 2.4 percent, based on the CPI. The underlying CPI was later recomputed by the Bureau of Labor Statistics (BLS); a 2.5 percent COLA would have been consistent with the recomputed CPI. Pursuant to P.L. 106-554, benefits were calculated and paid in August 2001 and later as if the COLA for December 1999 had been 2.5 percent. Affected beneficiaries received a one-time payment to cover the shortfall that occurred before August 2001. |
| 2007 | The rules for calculating automatic cost-of-living increases to PIAs under title II of the Social Security Act (the Act) were revised. The arithmetical mean of the CPI for each month is computed for the beginning and ending quarters of the measuring period, and the result is rounded to the same number of decimal places as the published CPI figures. Through December 2006, BLS published CPI figures rounded to the nearest one-tenth of 1 percent. BLS began publishing CPI figures rounded to the nearest one-thousandth of 1 percent in January 2007. |
| <i>Earnings test</i> | |
| 1972 | <p>The 1972 Act (as modified by the 1973 Acts) mandated a determination in 1974, and in every subsequent year in which a cost-of-living increase is established, as to whether an adjustment in the exempt amount—the amount of earnings permitted without reduction in benefits—is required.</p> <p>The determination in the years after 1975 is made by multiplying the monthly exempt amount in effect in the year of determination by the following quotient: the national average wage for the year before the year of determination, divided by the average wage for the year before the most recent year in which an automatic determination was made that resulted in an increase or in which an increase in the exempt amount was enacted. (See Table 2.A8 for annual amounts of the average wage after 1950.) The resulting product, rounded to the nearest multiple of \$10, is the new monthly exempt amount, effective with respect to remuneration paid after the year of determination and with respect to taxable year beginning after that year. In no case, however, is the new exempt amount reduced below the exempt amount in the year of determination. The new annual exempt amount is determined by multiplying the new monthly amount by 12.</p> |
| 1976 | In the 1974 and 1975 determinations, the quotient was the average wage for the year of determination, estimated from data for the first calendar quarter, divided by the corresponding amount for the year before the year of determination. P.L. 94-202 (signed January 2, 1976) revised the adjustment method by increasing by a year the lag in average wages used in the computation. Thus, for example, the 1976 determination was based on the percentage increase in the average wage from 1974 to 1975. |
| 1994 | The determination for years after 1994 is made by multiplying the monthly exempt amounts in effect for 1994 (\$930 for beneficiaries who have, \$670 for beneficiaries who have not yet, reached "full retirement age"; see footnote f in Table 2.A29) by the following quotient: the national average wage for the year before the year in which the determination is made, divided by the national average wage for 1992. (See Table 2.A8 for annual amounts of the national average wage.) The resulting products, rounded to the nearest \$10, are the new monthly exempt amounts effective for the year following the year the determination is made. The new annual exempt amounts are determined by multiplying the new monthly amounts by 12. |
| 1996 | P.L. 104-121, enacted March 29, 1996, suspended the automatic indexing of the exempt amounts through the year 2002 for workers aged 65–69. It legislated ad hoc increases in the annual exempt amounts to \$12,500 in 1996; \$13,500 in 1997; \$14,500 in 1998; \$15,500 in 1999; \$17,000 in 2000; \$25,000 in 2001; and \$30,000 in 2002. Thereafter, the exempt amounts will increase automatically based on the annual increase in the national average wage as under the 1994 legislation. |
| 2000 | P.L. 106-182, enacted April 7, 2000, eliminated the earnings test beginning with the month a beneficiary reaches full retirement age (FRA). The annual earnings test that applies in the year of attainment of FRA is based on the annual limits established under P.L. 104-121 (including the \$1 for \$3 withholding rate). In determining annual earnings for purposes of the annual earnings test under this legislation, only earnings before the month of attainment of FRA will be considered. P.L. 106-182 did not change the annual exempt amount for beneficiaries who are under FRA throughout the year, which continues to be pegged to increases in the average wage. |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

CONTACT: statistics@ssa.gov.

2.A OASDI: Benefit Computation and Automatic Adjustments

Table 2.A19—Illustrative benefit growth: Cumulative effect of statutory and automatic increases ^a in benefits using a 100 dollar base benefit, selected years

| Base date | Aug. 1950 | Sept. 1954 | Jan. 1965 | Jan. 1970 | June 1975 | June 1980 | Dec. 1985 | Dec. 1990 | Dec. 1995 | Dec. 2000 | Dec. 2005 | Dec. 2010 | Dec. 2015 | Dec. 2020 | Dec. 2021 | Dec. 2022 | Dec. 2023 |
|------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Aug. 1950 | 100 | 225 | 258 | 335 | 530 | 799 | 1,053 | 1,276 | 1,475 | 1,665 | 1,890 | 2,112 | 2,296 | 2,482 | 2,628 | 2,857 | 2,948 |
| Sept. 1954 | ... | 100 | 114 | 149 | 235 | 355 | 468 | 567 | 655 | 740 | 839 | 937 | 1,017 | 1,100 | 1,165 | 1,266 | 1,307 |
| Jan. 1965 | ... | ... | 100 | 130 | 206 | 310 | 409 | 495 | 573 | 646 | 733 | 819 | 888 | 958 | 1,015 | 1,103 | 1,138 |
| Jan. 1970 | ... | ... | ... | 100 | 158 | 239 | 315 | 381 | 441 | 497 | 563 | 629 | 682 | 736 | 779 | 847 | 874 |
| June 1975 | ... | ... | ... | ... | 100 | 151 | 199 | 241 | 278 | 314 | 356 | 397 | 430 | 463 | 490 | 533 | 550 |
| June 1980 | ... | ... | ... | ... | ... | 100 | 132 | 160 | 185 | 209 | 235 | 262 | 283 | 303 | 321 | 349 | 360 |
| Dec. 1985 | ... | ... | ... | ... | ... | ... | 100 | 121 | 140 | 158 | 179 | 198 | 214 | 229 | 243 | 264 | 272 |
| Dec. 1990 | ... | ... | ... | ... | ... | ... | ... | 100 | 116 | 131 | 148 | 163 | 174 | 185 | 196 | 213 | 220 |
| Dec. 1995 | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 113 | 127 | 141 | 152 | 163 | 173 | 188 | 194 |
| Dec. 2000 | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 113 | 125 | 134 | 142 | 150 | 163 | 168 |
| Dec. 2005 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 111 | 117 | 124 | 131 | 142 | 147 |
| Dec. 2010 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 106 | 113 | 120 | 130 | 134 |
| Dec. 2015 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 106 | 112 | 122 | 126 |
| Dec. 2020 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 106 | 115 | 119 |
| Dec. 2021 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 109 | 112 |
| Dec. 2022 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 | 103 |
| Dec. 2023 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 100 |

SOURCES: Social Security Act of 1935 (the Act), as amended through December 31, 2023; regulations issued under the Act; and precedential case decisions (rulings). Social Security Administration, "Cost-of-Living Increase and Other Determinations for 2024," *Federal Register*, vol. 88, no. 203 (October 23, 2023). See the Social Security Program Rules page (<https://www.ssa.gov/regulations/index.htm>) for specific laws, regulations, rulings, legislation, and a link to the *Federal Register*.

NOTES: Growth reflects cost-of-living adjustments only. The amounts shown in the table are computed using unrounded data, with results rounded to the nearest dollar. ... = not applicable.

a. Ad hoc benefit increases were enacted by statute before 1975. Since then, automatic annual increases have been determined by formula (see <https://www.ssa.gov/history/briefhistory3.html>, "The Story of COLAs," and Table 2.A13).

CONTACT: statistics@ssa.gov.