

Old-Age, Survivors, and Disability Insurance Trust Funds—CBO's April 2014 Baseline

(By fiscal year, in billions of dollars)

| | Actual 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|----------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Income | | | | | | | | | | | | |
| Revenues | 673 | 743 | 772 | 805 | 840 | 878 | 915 | 953 | 991 | 1,031 | 1,072 | 1,114 |
| Other Income ^a | | | | | | | | | | | | |
| Taxes on Benefits | 24 | 29 | 31 | 34 | 37 | 40 | 43 | 47 | 50 | 54 | 58 | 58 |
| Federal Employer Share | 16 | 16 | 17 | 18 | 18 | 19 | 20 | 20 | 21 | 22 | 23 | 24 |
| Interest | 106 | 102 | 99 | 99 | 101 | 104 | 109 | 113 | 114 | 115 | 113 | 110 |
| Transfer (Payroll Tax Holiday) | 32 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal, Other Income | 178 | 147 | 147 | 151 | 156 | 163 | 173 | 180 | 186 | 191 | 194 | 193 |
| Total Income | 851 | 890 | 919 | 956 | 996 | 1,041 | 1,088 | 1,133 | 1,177 | 1,222 | 1,266 | 1,307 |
| Outgo | | | | | | | | | | | | |
| Benefits | 803 | 840 | 878 | 925 | 981 | 1,042 | 1,109 | 1,181 | 1,256 | 1,335 | 1,417 | 1,502 |
| Discretionary Administration | 5 | 5 | 6 | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 8 |
| Treasury Administration | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Railroad Retirement Transfer | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Total Outgo | 813 | 850 | 889 | 937 | 993 | 1,054 | 1,121 | 1,193 | 1,269 | 1,348 | 1,430 | 1,516 |
| Net Cash Flow | | | | | | | | | | | | |
| OASI Surplus or Deficit | 69 | 69 | 60 | 51 | 38 | 21 | 2 | -23 | -51 | -81 | -115 | -156 |
| DI Deficit or Shortfall ^b | -31 | -29 | -31 | -32 | -34 | -35 | -36 | -38 | -41 | -45 | -49 | -53 |
| Primary Deficit or Shortfall | | | | | | | | | | | | |
| OASI | -31 | -28 | -35 | -45 | -62 | -82 | -107 | -136 | -165 | -196 | -228 | -267 |
| DI ^b | -37 | -34 | -34 | -34 | -35 | -35 | -36 | -38 | -41 | -45 | -49 | -53 |
| Balance | | | | | | | | | | | | |
| OASI | 2,655 | 2,725 | 2,785 | 2,836 | 2,874 | 2,895 | 2,898 | 2,875 | 2,824 | 2,743 | 2,628 | 2,471 |
| DI ^{b,c} | 100 | 71 | 40 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Notes: Details may not add to totals because of rounding. OASI = Old-Age and Survivors Insurance; DI = Disability Insurance.

Generally, a trust fund has a surplus if net cash flow is positive and a deficit if net cash flow is negative. In cases where there is a negative cashflow and not enough assets in the trust fund to finance it, the trust fund would be exhausted, and CBO is calling the excess benefits assumed to be paid a shortfall. A primary deficit or shortfall is the deficit or shortfall excluding interest paid to the trust fund.

- a. "Other income" consists chiefly of transfers from the general fund to the Social Security trust funds. Such transfers appear in the budget as both a positive outlay (the general fund portion) and a negative outlay, or offsetting receipt (the trust fund portion).
- b. CBO projects that the DI trust fund will be exhausted during fiscal year 2017. Under current law, the Social Security Administration (SSA) may not pay benefits in excess of the available balances in a trust fund, borrow money for a trust fund, or transfer money from one trust fund to another. However, following rules in the Deficit Control Act of 1985 (section 257(b)), CBO's baseline incorporates the assumption that SSA will pay DI benefits in full even after the trust fund is exhausted.
- c. CBO shows a zero balance rather than a cumulative negative balance in the DI trust fund after the exhaustion date. For illustrative purposes, below are the cumulative shortfalls in the DI trust fund beginning in 2017. Those shortfalls do not include interest expenses.

| DI Trust Fund | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Cumulative Shortfall | 0 | 0 | 0 | 0 | -26 | -61 | -97 | -135 | -176 | -221 | -269 | -322 |