



# Social Security

## Memorandum

**Date:** July 19, 2004

**To:** Representative Paul Ryan

**From:** Steve Goss, Chief Actuary

**Subject:** Estimated Financial Effects of the "Social Security Personal Savings and Prosperity Act of 2004" -- INFORMATION

This memorandum provides estimates of the financial effects of the plan you have developed for modifying the benefit and financing provisions of the Social Security program. Included is a description of the plan reflecting the intent expressed by you and Peter Fotos of your staff. Certain aspects of the plan that do not directly affect Social Security financing but are intended to alter budget scoring rules are not addressed in this memorandum.

This plan would establish voluntary, progressive individual accounts for workers who are under age 55 on January 1, 2005 and would provide for a reduction in the Social Security retirement and aged survivor benefits for those who participate. All participating workers would be guaranteed that the total benefits available from the combination of the OASDI program and their personal account would be at least equal to OASDI benefits scheduled under current law, regardless of the investment option and portfolio allocation they choose. Those who never participate in the personal account option would be provided present-law scheduled benefits, but would not be guaranteed at this level.

Personal savings account (PSA) assets would be invested by individual workers through a central administrative authority with a default allocation 65 percent in broad indexed equity funds and 35 percent in broad indexed corporate bond funds. Annuitization of the portion of the PSA accumulation sufficient to assure that total payments equal scheduled current-law benefits would be required at retirement. PSA contributions would be redirected from the OASDI Trust Funds. The ability of the Social Security Trust Funds to meet benefit obligations would be maintained through transfers from the General Fund of the Treasury that would be specified in the law.

Under the plan specifications described below the Social Security program would be expected to be solvent and to meet its benefit obligations throughout the long-range period 2003 through 2077 and beyond. All estimates are based on the

intermediate assumptions of the 2003 Trustees Report plus additional assumptions described below. Estimates are not yet available based on the intermediate assumptions of the 2004 Trustees Report. However, such updated estimates, when available, are not expected to be materially different from those provided in this memorandum.

## **Plan Specification**

### Personal Savings Accounts

Starting in 2005, all workers who will reach their 55<sup>th</sup> birthday on January 1, 2005 or later will have the option to enroll in the personal savings account plan. Enrollees with earnings in OASDI (Social Security) covered employment will have a portion of their payroll tax contribution (12.4 percent of taxable earnings in total) redirected from the OASDI Trust Funds to an individual account. The percentage of taxable earnings to be redirected in 2005 will be 10 percent of the first \$10,000 of covered earnings for the year, plus 5 percent of earnings in excess of \$10,000 up to the OASDI taxable maximum amount (which is \$87,900 for 2004). The \$10,000 threshold would be indexed by increases in the SSA national Average Wage Index (AWI) for years after 2005. The progressive scale for IA contributions redirected from the OASDI Trust Funds is estimated to amount to about 6.4 percentage points of the 12.4 percent payroll tax rate on average. The total amount redirected from the OASDI contribution rate indicated in Table 1 is less than 6.4 percent of payroll for years through 2029, because workers age 55 and older at the beginning of 2005 have no IA contributions.

All individuals will be allowed to voluntarily enroll or disenroll from the individual account plan at any time during their working years. However, any amounts redirected to the account in earlier years would remain in the account until distribution as described below

While participation in the PSA plan would be optional, and disenrollment allowed, the nature of the plan would provide a high likelihood for most workers that available retirement benefits will be more if enrollment is maintained. Total monthly retirement benefits for each worker who maintains enrollment throughout the period of eligibility would be guaranteed to be at least as large as benefits scheduled under current law for Social Security. In addition, personal account distributions are tax free, unlike Social Security benefits. Thus, participation is assumed to be universal for estimates presented in this memorandum. Individuals who never enroll would receive benefits scheduled under current law.

PSA contributions directed to the PSA of a worker based on a year's earnings are not determinable until earnings are reported to and tabulated by the Social Security Administration. Because this reporting is made by employers on an annual basis, after the end of the calendar year, amounts for individual workers are not determinable for somewhat over a year, on average, after the date on

which earnings are paid. Under the proposal, PSA contributions during this initial period would be held in the Tier I fund and would be invested in long-term Treasury bonds, or similar securities. PSA contributions would be credited to the individual personal savings accounts as soon as current reporting permits.

Under the plan, personal savings account (PSA) assets, once credited on an individual basis, would be automatically invested in the Tier II fund through a central administrative authority that would maintain all records of individual transactions and balances. Participants would be offered three investment options, including one with 80 percent in equities and another with 50 percent in equities. Unless otherwise specified, PSA balances would be maintained in the default portfolio with 65 percent in a specified broad index fund consisting of private equities for corporations based in the United States (such as the Wilshire 5000) and 35 percent in a broad index of corporate bonds issued by companies based in the United States. The central administrative authority would group the assets of individuals for the purpose of transactions with private firms. Upon achieving a total PSA balance equivalent to \$2,500 in 2005 (CPI-indexed thereafter) a broader range of investment options would be available in the Tier III fund. These options would be provided by qualified private investment companies, but would still be grouped by the central administrative authority for transactions with the investment firms. Due to the nature of the accounts, an ultimate administrative cost of 0.25 percent of assets is assumed to be reasonable.

Annual changes in investment allocation would be allowed. Because the guaranteed benefit level is provided regardless of what investment portfolio is selected by the individual, substantial variation in investment patterns is assumed to occur. This variation will, in turn, result in a relatively wide distribution of achieved life-time investment returns among individuals. However, we assume that a large number of account holders will still retain the default portfolio. On average, we assume that the portfolio allocation for all accounts combined will be close to the default allocation.

#### PSA Disbursements and Annuitization

At retirement, the participating worker would be required to purchase a life annuity with CPI-indexed payments using the portion of PSA accumulated assets necessary to provide a total monthly payment (including any OASDI monthly benefit under the plan) that is at least equal to the benefits specified under current law from the OASDI program. The annuity would be administered by the central administrative authority, with private investment firms handling the investment of assets on an aggregated (group) basis. It is assumed that the annuity would be computed at retirement based on an assumption of investment of 65 percent in a broad equity index and 35 percent in a broad corporate-bond index, with an assumed administrative expense of 0.25 percent of assets each

year. Assets supporting the annuity would, in fact, be invested 65 percent in equities and 35 percent in corporate bonds.

The annuity would be computed using the assumed long-term future returns on equities and corporate bonds as determined by the central administrative authority at the time of annuitization. This central administrative authority would assume all risk associated with guaranteeing this yield on life annuities, regardless of what actual investment returns turn out to be. The central administrative authority would be backed by the Treasury of the United States government. Thus, the General Fund of the Treasury would provide the “insurance” that the full amount of the annuity will be paid for life regardless of actual investment returns.

If less than the total amount of PSA assets is annuitized, the balance of PSA assets may be disbursed or held as the retired worker wishes. All accumulations in and disbursements from personal savings accounts, including annuity payments, would be exempt from Federal personal income tax.

Upon entitlement to retirement or aged survivor benefits under the current rules of the OASDI program, a monthly CPI-indexed annuity amount based on the specifications described above would be computed by the central administrative authority. The annuity would reflect all potential benefits that might be payable under the OASDI program (i.e., retired worker, spouse, child, widow(er), and surviving spouse benefits). Annuity calculations would be made at benefit entitlement based on the then-current expected long-range future yield on invested assets and the then-current expected future death rates for the potential beneficiaries.

For individuals who die before receiving retirement (retired worker or aged spouse) benefits, the IA assets will be transferred to the account of the surviving spouse, if any, but will be allocated as needed to provide annuities for any surviving children of the deceased. If there are no survivors, and the worker dies before such benefit entitlement, then the account balance goes to the worker’s estate, tax free.

#### Social Security Recognition Bonds and Benefit Reduction

OASI retirement and aged survivor benefits will be reduced based on the participation by the worker in the personal account option. Benefits payable to disabled worker beneficiaries (prior to conversion to retired worker status at the normal retirement age), to their dependents, and to survivors other than surviving spouse beneficiaries at age 60 or older are not subject to the reduction.

Reductions in affected OASI benefits would be made based on the proportion of potential lifetime PSA contributions that was realized. Specifically, the benefit reduction would be equal to the present law scheduled OASI benefits multiplied

by the ratio of (a) the present value of all contributions redirected to the worker's PSA, to (b) the present value of all potential PSA contributions that might have been made if the plan had been in existence throughout the working lifetime of the worker. Present values would be computed using the realized OASDI annual Trust Fund yields. Potential contributions for years before 2005 would be computed by indexing the \$10,000 threshold back to earlier years using the AWI.

Based on the reduction described above, workers who first enter the workforce in 2005 or later, and who choose to participate fully in the personal account through their working lifetime would have their affected OASI benefits reduced to zero. However, as noted above, the OASI program might still pay some benefits in cases where the annuity from fully annuitizing the PSA accumulation would be less than the present law scheduled OASI benefit.

Recognition bonds would be issued to active workers who choose to participate in the PSA on the basis of earnings before January 1, 2005. The recognition bonds would not be marketable but would be redeemable to the trust funds for all benefits scheduled under the OASDI program immediately prior to enactment of this plan, subject to the reduction for plan participation described above.

#### Personal Social Security Savings Account Board

The personal accounts and special annuities (annuity required to make the total benefit at least equal to the present law scheduled OASI benefit) for all workers will be administered by a single entity, central administrative authority, under the direction of the Personal Social Security Savings Account Board. The central administrative authority would maintain records and issue periodic statements to account holders. The PSA management would be based on the design of the government employee Thrift Savings Plan (TSP), with limited reporting requirements. Aggregated assets would be invested by privately managed investment firms. Through this approach it is assumed that PSA administrative costs can be expected to be modest, ultimately around 0.25 percent of IA assets for each account holder. This might require some Federal subsidy in early years for the PSA, when account balances are low and start-up costs are incurred.

#### General Fund Transfers to the Trust Funds

The OASDI Trust Funds will receive transfers from the General Fund of the Treasury through three mechanisms. The first two mechanisms are designed to provide revenue in keeping with potential revenue gains associated with other provisions of the proposal that are not directly addressed in this analysis. The transfers from these three mechanisms would eventually be offset by a fourth mechanism for a "reverse" transfer from the Trust Funds to the General Fund.

The first transfer mechanism would provide for amounts to be transferred to the OASDI Trust Funds equal to the potential corporate taxes that might result from investment of IA accumulations and annuities. The transfer amount would be computed assuming that all IA assets are invested in the default portfolio and that all IA accumulations available at retirement would be fully annuitized in the special life annuity offered by the central administrative authority. The computation of potential corporate tax revenue transfer would be specified in the law to follow the parameters adopted by former Senator Phil Gramm in his proposal. The parameters were laid out in the OCACT memorandum to Senator Gramm of April 16, 1999.

"The "recapture of corporate tax" on individual account yield would be directed to the OASDI trust funds. This recapture would be specified in law, intending to reflect the additional corporate taxes resulting from the additional domestic corporate investment from account assets. The plan would specify that the recapture would be assumed to equal 23.9 percent of the real, before tax, corporate return on investments. Because reported real yield on accounts would be after corporate tax, and the 23.9 percent rate is intended to apply to corporate income before tax, the actual rate applied to after tax income would be  $31.4\% = 23.9\% / (1 - .239)$ . This provision would provide a substantial and growing source of income to the OASDI program."

The value of 23.9 percent was derived from the assumption of an ultimate average 35 percent rate applied to 68.4 percent of invested IA assets. Thus, the General Fund transfer based on potential corporate tax resulting from IA and annuity investments would equal 31.4 percent of the yield on combined IA accumulation and annuity assets.

The second transfer mechanism would specify transfers from the General Fund of the Treasury to the Trust Funds equal to the potential amount by which Federal Government spending would be reduced from a specific baseline, if growth in spending were reduced by 1 percent each year starting 2005 and lasting for at least 8 years (through 2012). The specified transfer amounts would be computed by a formula assuming that "baseline" Federal spending would equal 20 percent of GDP, and that the continuing 1-percent growth-rate reductions would continue as long as needed so that transfers to the OASDI program would result in combined Trust Fund ratios that would not be projected to fall below 100 percent under the provisions of the plan. Transfers would continue after the last year in which spending growth is assumed to be reduced, using that the cumulative percentage reduction computed for the last year for which an additional 1-percent growth-rate reduction was applied.

The plan would provide direction to the Congress and the President that the growth rate in total actual Federal Government spending should be diminished as specified above for the computation of transfers. Specified transfers to the Trust Funds would, however, not be contingent on achieving these reductions in actual Federal spending.

The third transfer mechanism would provide for the Treasury to issue additional bonds to the public in order to generate revenue to transfer to the Trust Funds if, at any time, the combined OASDI Trust Fund ratio (TFR) is projected to fall below 100 percent under the provisions of the plan, including the first two transfer mechanisms. This provision would guarantee solvency for the Trust Funds in any circumstance.

The fourth transfer mechanism would provide for a “reverse” transfer from the Trust Funds to the Treasury. This transfer would become effective when it is determined that in order to maintain an OASDI annual cash-flow balance (non-interest income less program cost) that is positive or zero for the future (1) the third transfer above is not projected to be needed in the future and (2) the full amount of transfers from the first two mechanisms is not projected to be needed for any future year, under the Trustees intermediate assumptions.

### Cuts in OASDI Contribution Rate

If for any year net transfers described above are set at zero and are not projected to be needed in any future year, then the combined payroll tax rate (12.4 percent under current law) will be reduced to a level that maintains the annual OASDI cash-flow balance (non-interest income less program cost) at zero. However, this reduction will apply for any year only to the extent that it does not result in projections of a negative OASDI annual cash-flow balance for any future year under the Trustees intermediate assumptions. In addition, the combined OASDI payroll tax rate would in no case be reduced below 3.5 percentage points, roughly consistent with the minimal cost of providing benefits for disabled workers and their families, and for young survivors, in the future.

### Assumptions

The guarantee of total payments at the level of present-law scheduled benefits would be available for all individual-account participants regardless of the portfolio allocation they choose in the Tier II and Tier III funds. The guarantee would assure that their total benefits will be no lower than present-law scheduled benefits from OASDI based on the law in effect just prior to enactment of this plan. Workers who do not participate in the PSA plan, however, may be subject to changes in scheduled benefits in future years. As a result, universal

participation in the personal savings account option has been assumed for estimates presented in this memorandum. It is further assumed that most participants will retain the default portfolio allocation provided automatically in the Tier II fund, and that those who select other options will, in aggregate, invest with an allocation that results in a similar yield to that for the default allocation.

The cost of providing the guarantee for individual account participants is estimated assuming variation in realized account yields across years, generations, and individuals within generations. For individuals or generations with account yields substantially below the average expected return, the guarantee may result in additional payments from the Trust Funds. Individuals may be more likely to have yields below average if they choose to either invest conservatively, or if they attempt to make changes in portfolio allocations in an effort to “time the market.” For individuals and generations that experience higher than expected returns, little if any cost for the guarantee will be incurred.

As indicated above, estimates provided in this memorandum are based on the intermediate assumptions of the 2003 Trustees Report. Estimates based on the more recent 2004 Trustees Report are not yet available, but are not expected to be materially different from the results presented in this memorandum. In addition, the long-term ultimate average annual real yield assumed for equities is 6.5 percent. This is somewhat lower than the historical real equity yield over the last several decades.

A consensus is forming among economists that equity pricing, as indicated by price-to-earnings ratios, may average somewhat higher in the long-term future than in the long-term past. This is consistent with broader access to equity markets and the belief that equities may be viewed as somewhat less “risky” in the future than in the past. Equity pricing will vary in the future as in the past. Price-to-earnings ratios were very high through 1999, and are now lower. The average ultimate real equity yield assumed for estimates in this memorandum is consistent with an average ultimate level of equity pricing somewhat above the average level of the past.

The assumption for an ultimate real equity yield of 7 percent that was used by the Office of the Chief Actuary until 2001 was developed in 1995 with the 1994-6 Advisory Council. At that time, the Trustees assumption for the ultimate average real yield on long-term Treasury bonds was 2.3 percent. Real yields on corporate bonds are believed to bear a close relationship to Treasury bond yields of similar duration. The 2003 Trustees Report includes the assumption that the ultimate real yield on long-term Treasury bonds will average 3 percent, or 0.7 percentage point higher than assumed in 1995. This increase in the assumed bond yield is consistent with a reduction in the perceived risk associated with equity investments.

It should be noted that the precise effects of implementing a plan that would result in a large demand for equities and corporate bonds on the yields of these securities is not clear. This demand would likely be at least partially offset by reductions in demand for other investment mechanisms. For the purpose of these estimates, it is assumed that there will be no net dynamic feedback effects on the economy or on the financial markets. Moreover, the intended effects on growth in Federal spending are not reflected in these estimates.

## **Financial Effects of the Plan**

### **Trust Fund Operations**

Table 1 indicates that under the intermediate assumptions of the 2003 Trustees Report and the assumed average yields for equities and corporate bonds described above, the OASDI program is projected to solvent throughout the 75-year projection period and beyond. The annual cost rate (cost of the OASDI program as a percent of payroll) declines steadily after 2027, reflecting the increasing extent of benefit reductions associated with PSA participation. The annual balance (net cash-flow balance as a percent of payroll) is projected to reach zero for 2030 and beyond. The trust fund ratio is projected to reach a low point of 138 percent of annual program cost for 2028 and to gradually increase thereafter, because the retained interest on the assets will be more than needed to maintain a constant trust fund ratio.

Net General Fund transfers expressed as a percent of taxable payroll are projected to rise to a peak of 7.35 percent for 2029 and decline thereafter, reaching zero for 2058 and later. The effective OASDI contribution rate is projected to be reduced from the nominal level of 12.4 percent by (1) the amount redirected to personal accounts, which reaches 6.4 percent of payroll for 2030 and later, and (2) the cut in the contribution rate that is projected to be possible starting in 2058, while maintaining an OASDI annual cash-flow balance at zero. The net OASDI contribution rate is projected to decline to 4.22 percentage points for 2078.

The actuarial deficit for the OASDI program over the 75-year projection period would be improved by an estimated 2.19 percent of taxable payroll, from an actuarial deficit of 1.92 percent of payroll projected under current law to a positive actuarial balance that rounds to 0.27 percent of payroll under the plan.

### **Program Transfers and Assets**

Table 1a provides an analysis of General Fund net transfers under the plan and of net OASDI Trust Fund assets. Columns 1 through 3 provide the estimated amounts of annual transfers under the first, second, and fourth transfer

mechanisms described above. The reverse transfers (column 3) begin in 2030 and reach the level of the other two transfers combined for 2058 and later. Note that the additional transfers permitted under the third mechanism are not projected to be needed under these assumptions. Column 4 provides the cumulative total amount of net transfers from the General Fund of the Treasury under the plan through the end of each year.

Total projected OASDI Trust Fund assets are shown in column 5. For purpose of comparison, the net OASDI Trust Fund assets are also shown for a theoretical Social Security program where borrowing authority is assumed for the Trust Funds. The theoretical Social Security program with borrowing authority is presented both without and with the net General Fund transfers expected under this plan, in columns 7 and 8, respectively.

If the individual accounts are considered as a part of a “total system”, along with the OASDI program, then it is reasonable to consider “total system assets”. These would be the sum of net OASDI trust fund assets and PSA assets (columns 5 and 6). Under the intermediate assumptions and assuming full annuitization of IA assets, total system assets are expected to be large and growing in real terms at the end of the 75-year projection period.

#### Effect on the Federal Unified Budget

Table 1b provides estimates of the effect on federal unified budget cash flows and balances under this plan and these assumptions. All values in this table represent the amount of the change that would be expected as a result of implementing the proposal, from the level that would be projected under current law. The effect of the plan on unified budget cash flow (column 6) would be expected to be negative initially, but positive starting 2043. This total cash flow change is the combination of the specific plan effects shown in columns 2-5. It is important to note that these estimates are based on the intermediate assumptions of the 2003 Trustees Report and thus are not consistent with estimates made by the OMB or the CBO based of their assumptions.

Column 7 provides the projected effect of implementing the plan on the Federal debt held by the public. Column 8 provides the projected effect on the annual unified budget balances, including both the cash flow effect in column 6 and the additional interest on the accumulated debt indicated in column 8.

As noted above, these projections do not reflect any potential change from reductions in the growth of Federal spending or from possible net increases in corporate taxes due to the individual account investments that are intended to occur as a result of implementation of this plan. The cumulative amounts of transfers to the Trust Funds associated with these intended effects are presented in columns 9 and 10. If these transfers were fully offset by corresponding increases in corporate tax revenue or reductions in Federal spending, then the

projected change in the debt held by the public under this plan (column 7) would be reduced by these amounts.

### Cash Flow to the General Fund of the Treasury

Table 1c provides estimates of the net cash flow from the OASDI Trust Funds to the General Fund of the Treasury. Revenue paid by the Treasury to the Trust Funds for the redemption of the special-issue Treasury obligations held by the Trust Funds is included here as a negative cash flow to the General Fund. Specified transfers from the General Fund under the plan also are shown as negative cash flow.

Values in Table 1c are shown as a percent of taxable payroll, in current dollars, in present value dollars as of 1/1/2003, and in constant 2003 dollars (discounted to 2003 with the projected growth in the CPI). For comparison purposes, net cash flow is also shown for a theoretical Social Security program where transfers from the General Fund of the Treasury to the OASDI Trust Funds are assumed to occur as needed to assure full payment of scheduled benefits in 2042 and later.

### Development of Transfers under the Plan

Table 1d provides estimates of the amounts of the specified transfers under the plan in present value discounted to January 1, 2003. Columns 1, 2, and 3 develop the specified transfer based on the intended reduction in the growth in Federal spending. Column 1 provides the projected GDP under the Trustees intermediate assumptions. Column 2 provides what GDP would be if it grew 1 percent slower in each of the years 2005 through 2012. Column 3 provides 20 percent of the difference between columns 1 and 2, or the specified amount of transfer. Column 4 provides the estimated amount of annual transfers related to corporate tax on Individual Account investments. Column 5 provides the estimated reverse transfers, which are determined to offset the transfers in columns 3 and 4 when they are no longer needed. Column 6 provides the cumulative amount of net transfers from columns 3, 4, and 5 through the end of the year. Finally, the values in columns 7, 8, and 9 provide the annual net transfer amounts for the three mechanisms combined.

### Components of Cash Flow to the General Fund of the Treasury

In Table 1e, total net cash flow from the trust funds to the general fund is shown in two components. The first is the cash flow due to the net amounts of the specified transfers to the trust funds under this proposal. The amounts of the specified transfers are detailed in columns (3), (4), and (5) of table 1d provided earlier. Under the specifications of the

proposal, net specified transfers to the trust funds are expected to occur in years 2005 through 2057.

The second component is the residual amount of cash flow due to the trust funds net purchase (or redemption) of assets held in the form of special-issue Treasury Securities. Net purchases of Treasury securities are projected to change to net redemptions starting in 2005, under the proposal. Net redemptions are projected to continue through 2029. For 2030 and later, net redemptions of Treasury securities held by the trust funds are projected to be zero, consistent with the targeted zero OASDI annual cash-flow under the proposal.

### Sensitivity Analysis

Tables 2, 2a, 2b, 2c, 2d, and 2e provide an analysis of the implications of realizing actual real yields on individual account assets that are equal to the assumed average real yield on long-term Treasury bonds, or 3 percent. This may be viewed as either illustrating the case where the average real yield on equities and corporate bonds is no higher than on government bonds, or illustrating the effect of assuming risk-adjusted returns on equities and corporate bonds. In either case, the “expected” yield on annuitized assets is assumed to match the actual yield, on average. It should be noted that while average real yields for equities have been at or below average bond yields for periods of a decade or so, the likelihood of having such a low average yield for a period of several decades seems extremely low.

Table 2 indicates that net General Fund transfers would be needed longer, throughout the 75-year projection period. This is largely due to the fact that, with the assumed low yield on individual account assets, the cost of providing the guarantee is far higher—see table 2b column 3. The low yield also results in lower projected transfers based on corporate tax on IA investments—see table 2a column 2. As a result, the specified transfer based on a formula related to potential reductions in growth in total Federal spending is increased by extending reductions for the formula for years 2005 through 2016, or 4 years longer than under the assumptions of tables 1. Thus, with the low yield assumed on individual account assets, reverse transfers do not reach the point of fully offsetting transfers based on slowed growth in Federal spending and corporate tax on account investments by 2078 (see table 2a) and it is not possible to reduce the payroll tax rate within this period.

Only one sensitivity example is provided because the financial status of the OASDI Trust Funds under the plan is relatively insensitive to individual account returns. Even the very low average returns in tables 2 require only a 4 year extension of the period of annual increases for specified transfers.

It must be noted that the uncertainties associated with equity investments, bond yields, and mortality improvement, as well as with a number of additional variables mean that actual experience could vary from the illustrations provided in Tables 1 and 2. In any case, the plan would provide for adequate financing for the OASDI program through the provisions described above.

A handwritten signature in black ink that reads "Stephen C. Goss". The signature is written in a cursive style with a large initial 'S' and a distinct 'G'.

Stephen C. Goss

Attachments

Table 1

Ryan Prop--IA with Guarantee, Incrs GF Trans for spend cut thru 2012 IA Cntrb 6.4 %, Ben Offset 100.0 %

Year	With Ult Real TF Int Rate of 3.0			Corp Tax to TF as % of Pre tax IA Real Yld 23.9		Change in OASDI Effective Contrib Rate	Effective OASDI Contrib Rate 2/	Cut in Contrib Rate for AnnBal	IA Contrib Rate--- Redirected from PyslTax
	Cost Rate	Income Rate 1/	Annual Balance	TFR 1-1-yr	Net GF Trans to TF 1/ (% of Pysl)				
2003	10.89	12.70	1.81	288			12.40		0
2004	10.82	12.69	1.88	309			12.40		0
2005	10.73	7.64	-3.10	330	0.32	-5.38	7.02		5.38
2006	10.65	7.92	-2.74	305	0.92	-0.32	6.69		5.71
2007	10.67	8.42	-2.24	282	1.52	-0.11	6.59		5.81
2008	10.73	8.94	-1.79	262	2.12	-0.10	6.49		5.91
2009	10.84	9.47	-1.37	246	2.73	-0.09	6.40		6.00
2010	10.99	10.01	-0.97	233	3.33	-0.08	6.32		6.08
2011	11.16	10.60	-0.56	223	3.94	-0.06	6.26		6.14
2012	11.37	11.18	-0.19	217	4.55	-0.05	6.21		6.19
2013	11.60	11.29	-0.31	214	4.69	-0.04	6.16		6.24
2014	11.84	11.41	-0.43	210	4.83	-0.04	6.12		6.28
2015	12.09	11.54	-0.55	205	4.97	-0.03	6.09		6.31
2016	12.34	11.68	-0.65	200	5.12	-0.02	6.07		6.33
2017	12.58	11.84	-0.75	194	5.27	-0.01	6.06		6.34
2018	12.82	12.00	-0.82	187	5.42	-0.01	6.05		6.35
2019	13.04	12.17	-0.88	181	5.59	-0.01	6.04		6.36
2020	13.26	12.34	-0.92	174	5.75	-0.01	6.03		6.37
2021	13.47	12.52	-0.95	167	5.92	-0.01	6.03		6.37
2022	13.65	12.70	-0.96	160	6.09	-0.01	6.02		6.38
2023	13.78	12.88	-0.91	155	6.26	0.00	6.02		6.38
2024	13.90	13.06	-0.84	149	6.44	0.00	6.02		6.38
2025	13.98	13.24	-0.74	145	6.62	0.00	6.01		6.39
2026	14.04	13.43	-0.61	141	6.80	0.00	6.01		6.39
2027	14.07	13.61	-0.45	139	6.98	0.00	6.01		6.39
2028	14.06	13.80	-0.26	138	7.17	0.00	6.01		6.39
2029	14.02	13.99	-0.03	139	7.35	0.00	6.01		6.39
2030	13.94	13.94	0.00	141	7.31	0.00	6.00		6.40
2031	13.83	13.83	0.00	145	7.20	0.00	6.00		6.40
2032	13.69	13.69	0.00	148	7.06	0.00	6.00		6.40
2033	13.52	13.52	0.00	153	6.90	0.00	6.00		6.40
2034	13.33	13.32	0.00	157	6.71	0.00	6.00		6.40
2035	13.12	13.11	0.00	162	6.51	0.00	6.00		6.40
2036	12.88	12.89	0.00	167	6.29	0.00	6.00		6.40
2037	12.63	12.63	0.00	173	6.04	0.00	6.00		6.40
2038	12.36	12.35	0.00	180	5.78	0.00	6.00		6.40
2039	12.07	12.07	0.00	187	5.51	0.00	6.00		6.40
2040	11.77	11.77	0.00	195	5.23	0.00	6.00		6.40
2041	11.46	11.46	0.00	203	4.93	0.00	6.00		6.40
2042	11.14	11.14	0.00	212	4.63	0.00	6.00		6.40
2043	10.81	10.81	0.00	222	4.31	0.00	6.00		6.40
2044	10.47	10.47	0.00	233	3.99	0.00	6.00		6.40
2045	10.14	10.13	0.00	245	3.67	0.00	6.00		6.40
2046	9.79	9.79	0.00	258	3.34	0.00	6.00		6.40
2047	9.44	9.44	0.00	272	3.01	0.00	6.00		6.40
2048	9.09	9.09	0.00	287	2.68	0.00	6.00		6.40
2049	8.75	8.74	0.00	303	2.35	0.00	6.00		6.40
2050	8.41	8.41	0.00	320	2.03	0.00	6.00		6.40
2051	8.07	8.07	0.00	339	1.71	0.00	6.00		6.40
2052	7.75	7.74	0.00	359	1.40	0.00	6.00		6.40
2053	7.42	7.42	0.00	381	1.09	0.00	6.00		6.40
2054	7.11	7.12	0.00	404	0.81	0.00	6.00		6.40
2055	6.84	6.84	0.00	427	0.55	0.00	6.00		6.40
2056	6.58	6.58	0.00	452	0.30	0.00	6.00		6.40
2057	6.34	6.34	0.00	477	0.07	0.00	6.00		6.40
2058	6.11	6.11	0.00	503	0.00	-0.15	5.85	0.15	6.40
2059	5.90	5.90	0.00	529	0.00	-0.20	5.65	0.35	6.40
2060	5.71	5.71	0.00	556	0.00	-0.18	5.47	0.53	6.40
2061	5.53	5.53	0.00	584	0.00	-0.17	5.30	0.70	6.40
2062	5.37	5.37	0.00	611	0.00	-0.15	5.15	0.85	6.40
2063	5.22	5.22	0.00	639	0.00	-0.14	5.01	0.99	6.40
2064	5.09	5.09	0.00	667	0.00	-0.13	4.88	1.12	6.40
2065	4.99	4.99	0.00	691	0.00	-0.09	4.79	1.21	6.40
2066	4.90	4.90	0.00	715	0.00	-0.08	4.71	1.29	6.40
2067	4.82	4.82	0.00	739	0.00	-0.07	4.63	1.37	6.40
2068	4.75	4.75	0.00	763	0.00	-0.07	4.56	1.44	6.40
2069	4.69	4.69	0.00	786	0.00	-0.06	4.50	1.50	6.40
2070	4.63	4.63	0.00	809	0.00	-0.05	4.45	1.55	6.40
2071	4.58	4.58	0.00	831	0.00	-0.04	4.41	1.59	6.40
2072	4.54	4.54	0.00	853	0.00	-0.04	4.37	1.63	6.40
2073	4.51	4.51	0.00	874	0.00	-0.03	4.33	1.67	6.40
2074	4.48	4.48	0.00	895	0.00	-0.03	4.31	1.69	6.40
2075	4.45	4.45	0.00	915	0.00	-0.02	4.28	1.72	6.40
2076	4.43	4.43	0.00	936	0.00	-0.02	4.26	1.74	6.40
2077	4.41	4.41	0.00	956	0.00	-0.02	4.24	1.76	6.40
2078	4.39	4.39	0.00	976	0.00	-0.02	4.22	1.78	6.40
Summarized									
	CostRt	IncRt	ActBal	Change in					
2003	OASDI	OASDI	OASDI	ActBal					
-2077	10.58	10.85	0.27	2.19					

Based on Intermediate Assumptions of the 2003 Trustees Report

With Ult Real Int Rate of 3.00

1/ Includes Specified and Corp Tax-based GF Transfers (see table .d)

2/ Net payroll tax rate to the Trust Funds; reduced by amount redirected for IA contribution, and cut for annual balance

Office of the Actuary  
Social Security Administration  
July 15, 2004

Table 1 a Proposal GF Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets

Calendar Year	Proposal General Fund Transfers			Accumulated GF Transfers at End of Year (4)	Total OASDI Trust Fund Assets at End of Yr (5)	Individual Account Assets 1/ at End of Yr (6)	Theoretical Social Security 2/ with Borrowing Authority; Net OASDI TF Assets End of Yr	
	Slowed FedGov Spending (1)	Corp Tax Recap (2)	Reverse Tran for Ann Balance (3)				Without GF Transfer (7)	With GF Transfer (amount for prop) (8)
	Billions of Constant 2003 Dollars							
2003	0	0	0	0	1,543	0	1,543	1,543
2004	0	0	0	0	1,683	0	1,683	1,683
2005	12	3	0	15	1,591	260	1,833	1,848
2006	36	8	0	61	1,506	556	1,990	2,050
2007	61	13	0	139	1,440	880	2,154	2,293
2008	87	19	0	252	1,392	1,233	2,323	2,575
2009	113	25	0	402	1,363	1,616	2,493	2,896
2010	141	32	0	592	1,352	2,029	2,664	3,257
2011	169	39	0	824	1,362	2,473	2,835	3,659
2012	198	46	0	1,100	1,393	2,945	3,001	4,101
2013	201	54	0	1,397	1,417	3,446	3,161	4,557
2014	205	62	0	1,714	1,435	3,975	3,312	5,026
2015	208	71	0	2,053	1,447	4,535	3,452	5,505
2016	212	80	0	2,416	1,452	5,122	3,579	5,995
2017	215	89	0	2,802	1,450	5,739	3,691	6,492
2018	219	100	0	3,213	1,444	6,386	3,786	6,999
2019	222	110	0	3,652	1,433	7,063	3,863	7,515
2020	226	121	0	4,119	1,418	7,771	3,921	8,040
2021	229	133	0	4,616	1,401	8,509	3,956	8,572
2022	233	145	0	5,144	1,381	9,279	3,971	9,114
2023	237	157	0	5,704	1,363	10,081	3,964	9,668
2024	240	170	0	6,298	1,349	10,914	3,936	10,234
2025	244	184	0	6,928	1,340	11,778	3,885	10,813
2026	248	198	0	7,595	1,338	12,674	3,813	11,408
2027	252	212	0	8,302	1,347	13,602	3,718	12,020
2028	256	227	0	9,049	1,369	14,560	3,601	12,649
2029	260	243	0	9,838	1,408	15,550	3,461	13,299
2030	264	259	16	10,655	1,450	16,571	3,300	13,955
2031	268	275	37	11,497	1,493	17,621	3,119	14,615
2032	273	292	60	12,361	1,538	18,701	2,917	15,278
2033	277	309	87	13,246	1,583	19,810	2,696	15,943
2034	282	327	116	14,151	1,630	20,947	2,457	16,608
2035	286	344	146	15,075	1,679	22,110	2,200	17,275
2036	291	363	178	16,016	1,729	23,299	1,925	17,942
2037	296	382	214	16,974	1,781	24,511	1,634	18,608
2038	300	401	251	17,946	1,834	25,746	1,326	19,272
2039	305	420	290	18,932	1,888	27,001	1,001	19,934
2040	310	439	331	19,931	1,945	28,275	661	20,591
2041	315	459	374	20,941	2,003	29,564	303	21,243
2042	320	479	418	21,961	2,063	30,867	-73	21,888
2043	325	499	465	22,989	2,125	32,180	-467	22,522
2044	330	519	512	24,026	2,189	33,499	-881	23,145
2045	335	539	560	25,070	2,254	34,823	-1,316	23,754
2046	340	559	609	26,121	2,321	36,148	-1,774	24,347
2047	345	579	660	27,177	2,390	37,473	-2,255	24,922
2048	350	599	711	28,239	2,462	38,791	-2,761	25,478
2049	356	619	762	29,304	2,536	40,091	-3,292	26,012
2050	361	638	813	30,375	2,612	41,371	-3,851	26,523
2051	366	657	864	31,449	2,690	42,631	-4,440	27,009
2052	372	675	915	32,528	2,770	43,866	-5,059	27,469
2053	377	693	967	33,611	2,853	45,089	-5,710	27,901
2054	383	711	1,017	34,700	2,939	46,300	-6,394	28,305
2055	389	729	1,065	35,796	3,027	47,498	-7,113	28,683
2056	395	747	1,112	36,900	3,117	48,681	-7,867	29,033
2057	401	764	1,158	38,015	3,210	49,849	-8,657	29,357
2058	407	782	1,188	39,155	3,306	51,002	-9,485	29,670
2059	413	799	1,211	40,330	3,405	52,138	-10,350	29,979
2060	419	815	1,234	41,540	3,507	53,258	-11,255	30,285
2061	425	832	1,257	42,786	3,612	54,361	-12,199	30,587
2062	432	848	1,279	44,069	3,720	55,447	-13,185	30,884
2063	438	864	1,302	45,391	3,832	56,517	-14,215	31,177
2064	445	879	1,324	46,753	3,946	57,571	-15,289	31,464
2065	451	895	1,346	48,156	4,064	58,609	-16,411	31,745
2066	458	910	1,368	49,600	4,186	59,632	-17,581	32,019
2067	465	925	1,390	51,088	4,311	60,641	-18,802	32,286
2068	472	940	1,412	52,621	4,440	61,637	-20,076	32,545
2069	479	954	1,433	54,200	4,573	62,620	-21,404	32,796
2070	486	969	1,455	55,826	4,710	63,593	-22,789	33,037
2071	493	983	1,476	57,500	4,851	64,557	-24,232	33,268
2072	500	997	1,498	59,225	4,997	65,513	-25,736	33,489
2073	508	1,012	1,519	61,002	5,146	66,462	-27,303	33,699
2074	515	1,026	1,541	62,832	5,300	67,406	-28,935	33,897
2075	523	1,040	1,563	64,717	5,459	68,346	-30,634	34,083
2076	530	1,054	1,584	66,659	5,622	69,284	-32,402	34,257
2077	538	1,068	1,606	68,659	5,791	70,221	-34,242	34,417
2078	546	1,082	1,628	70,718	5,964	71,158	-36,156	34,562

Based on Intermediate Assumptions of the 2003 Trustees Report

1/ Including annuity assets, assuming all annuitize fully.

2/ Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit forrowing from the General Fund of the Treasury.

Office of the Actuary  
 Social Security Administration  
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Table 1 b IA Assets & Contributions, OASI Benefit Changes, & Total Unified Budget Effect--Plus Cumulative GF Transfers 1/

Year	IA+Annuity Balance at End of Year (1)	Amount Contrib to IA: % by Fed Gov 100 (2)	Cost to guar OASDI +IA benefits at PLSched (3)	Ave IA Cntrb		Cut in Contrib Rate for AnnBal (5)	Change in Annual UnifBudg CashFlow (6)	Benefit Offset Change in Debt Held by the Public (EOY) (7)	Change in Ann UnifBudg Balance (8)	Cumulative Transfers	
				OASI Benefit Cut for IA Participation (4)	6.4 %					Based on Fed Spending Slowdown 1/ (9)	Based on CorpTax Recap 1/ (10)
(Billions of Constant 2003\$)											
2004	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0	0
2005	259.6	249.3	0.0	0.0	0.0	0.0	-249.3	257	-256.9	12	3
2006	556.1	271.3	0.0	0.0	0.0	0.0	-271.3	545	-295.0	49	12
2007	880.3	282.8	0.0	0.0	0.0	0.0	-282.8	853	-324.3	113	26
2008	1,233.3	293.8	0.0	0.0	0.0	0.0	-293.8	1,183	-354.4	206	46
2009	1,615.9	304.3	0.0	0.0	0.0	0.0	-304.3	1,533	-385.0	329	73
2010	2,029.3	314.4	0.0	0.0	0.0	0.0	-314.4	1,905	-416.3	484	108
2011	2,472.9	323.3	0.1	0.0	0.0	0.0	-323.3	2,297	-447.4	673	151
2012	2,944.8	331.3	0.8	0.7	0.0	0.0	-331.3	2,709	-478.8	897	203
2013	3,445.6	339.3	1.6	2.5	0.0	0.0	-338.4	3,140	-510.4	1,132	265
2014	3,975.5	346.9	2.6	5.0	0.0	0.0	-344.5	3,591	-541.9	1,377	337
2015	4,534.6	354.1	3.8	8.5	0.0	0.0	-349.4	4,059	-573.2	1,633	420
2016	5,122.4	360.4	5.0	13.6	0.0	0.0	-351.8	4,544	-602.9	1,900	515
2017	5,739.2	366.5	6.3	20.3	0.0	0.0	-352.5	5,043	-631.8	2,179	623
2018	6,385.8	372.4	7.7	28.2	0.0	0.0	-351.9	5,557	-660.7	2,470	744
2019	7,062.9	378.3	9.3	37.4	0.0	0.0	-350.2	6,085	-689.2	2,773	879
2020	7,770.6	384.2	10.9	48.3	0.0	0.0	-346.8	6,624	-717.0	3,088	1,031
2021	8,509.3	390.0	12.7	60.4	0.0	0.0	-342.3	7,176	-744.3	3,417	1,198
2022	9,279.2	395.8	14.6	73.6	0.0	0.0	-336.8	7,738	-771.2	3,760	1,384
2023	10,080.6	401.6	16.7	87.9	0.0	0.0	-330.4	8,310	-797.8	4,117	1,587
2024	10,913.6	407.5	18.9	103.5	0.0	0.0	-322.8	8,892	-823.8	4,488	1,811
2025	11,778.1	413.3	21.3	120.4	0.0	0.0	-314.2	9,483	-849.4	4,874	2,054
2026	12,674.2	419.1	23.8	138.4	0.0	0.0	-304.5	10,081	-874.3	5,276	2,320
2027	13,601.7	425.1	26.3	158.2	0.0	0.0	-293.2	10,685	-898.0	5,693	2,608
2028	14,560.4	431.1	29.0	179.6	0.0	0.0	-280.5	11,294	-920.6	6,128	2,921
2029	15,550.2	437.3	31.7	202.2	0.0	0.0	-266.8	11,908	-942.6	6,579	3,259
2030	16,570.6	443.6	34.5	225.9	0.0	0.0	-252.2	12,525	-963.8	7,049	3,623
2031	17,621.2	450.0	37.3	250.6	0.0	0.0	-236.7	13,145	-984.3	7,537	4,015
2032	18,701.3	456.6	40.1	276.3	0.0	0.0	-220.4	13,766	-1,004.2	8,044	4,436
2033	19,810.1	463.2	43.0	303.0	0.0	0.0	-203.2	14,388	-1,023.2	8,571	4,887
2034	20,946.7	469.9	45.9	330.6	0.0	0.0	-185.3	15,011	-1,041.5	9,118	5,370
2035	22,110.0	476.7	49.5	359.0	0.0	0.0	-167.1	15,633	-1,059.7	9,687	5,886
2036	23,298.7	483.5	53.1	388.5	0.0	0.0	-148.2	16,255	-1,076.9	10,277	6,436
2037	24,511.2	490.5	56.7	418.8	0.0	0.0	-128.3	16,875	-1,093.3	10,890	7,022
2038	25,746.1	497.4	60.3	450.2	0.0	0.0	-107.6	17,492	-1,108.5	11,526	7,645
2039	27,001.3	504.5	63.9	482.7	0.0	0.0	-85.8	18,105	-1,122.6	12,186	8,307
2040	28,274.8	511.6	67.6	516.4	0.0	0.0	-62.8	18,712	-1,135.1	12,871	9,009
2041	29,564.1	518.7	71.1	551.6	0.0	0.0	-38.3	19,313	-1,145.8	13,581	9,752
2042	30,866.7	525.9	74.7	588.4	0.0	0.0	-12.2	19,905	-1,154.5	14,318	10,538
2043	32,179.5	533.1	78.2	626.9	0.0	0.0	15.6	20,486	-1,160.8	15,082	11,368
2044	33,499.4	540.4	81.6	667.3	0.0	0.0	45.3	21,054	-1,164.6	15,874	12,243
2045	34,822.6	547.7	85.9	709.6	0.0	0.0	75.9	21,608	-1,166.6	16,695	13,166
2046	36,148.3	555.1	89.9	753.7	0.0	0.0	108.8	22,144	-1,165.6	17,546	14,137
2047	37,472.5	562.4	93.9	799.5	0.0	0.0	143.2	22,661	-1,161.7	18,428	15,158
2048	38,790.5	569.9	97.8	846.6	0.0	0.0	179.0	23,156	-1,155.5	19,342	16,230
2049	40,091.3	577.4	102.1	894.8	0.0	0.0	215.2	23,629	-1,147.4	20,288	17,354
2050	41,371.4	585.0	106.2	943.9	0.0	0.0	252.7	24,078	-1,136.8	21,269	18,531
2051	42,630.5	592.6	109.7	993.8	0.0	0.0	291.5	24,500	-1,123.4	22,284	19,763
2052	43,865.5	600.4	112.9	1,044.0	0.0	0.0	330.8	24,894	-1,107.8	23,336	21,051
2053	45,089.1	608.2	114.5	1,093.7	0.0	0.0	371.0	25,259	-1,089.8	24,424	22,397
2054	46,300.2	616.2	115.8	1,142.8	0.0	0.0	410.9	25,593	-1,070.3	25,552	23,802
2055	47,497.8	624.2	118.9	1,191.1	0.0	0.0	448.0	25,900	-1,051.8	26,719	25,267
2056	48,681.0	632.4	121.7	1,238.8	0.0	0.0	484.6	26,178	-1,032.2	27,927	26,794
2057	49,849.2	640.8	124.4	1,285.7	0.0	0.0	520.5	26,427	-1,011.6	29,177	28,386
2058	51,001.6	649.2	126.7	1,331.0	14.8	14.8	540.2	26,663	-1,006.1	30,471	30,042
2059	52,137.9	657.8	128.8	1,374.8	35.5	35.5	552.7	26,894	-1,007.2	31,810	31,766
2060	53,257.7	666.5	130.7	1,417.3	55.1	55.1	565.0	27,119	-1,008.2	33,196	33,559
2061	54,360.8	675.3	132.2	1,458.4	73.6	73.6	577.3	27,337	-1,008.8	34,630	35,422
2062	55,447.2	684.2	133.5	1,498.7	91.0	91.0	590.1	27,550	-1,008.6	36,113	37,358
2063	56,517.0	693.1	134.4	1,538.5	107.5	107.5	603.5	27,755	-1,007.4	37,648	39,368
2064	57,570.7	702.2	135.1	1,577.1	122.7	122.7	617.1	27,952	-1,005.5	39,235	41,455
2065	58,608.8	711.4	138.0	1,615.0	134.7	134.7	630.9	28,141	-1,002.9	40,877	43,620
2066	59,631.8	720.7	140.8	1,652.3	145.8	145.8	645.1	28,320	-999.4	42,576	45,865
2067	60,640.7	730.0	143.5	1,689.6	156.2	156.2	659.9	28,490	-994.8	44,332	48,194
2068	61,636.5	739.5	145.9	1,726.8	166.1	166.1	675.2	28,650	-989.1	46,148	50,608
2069	62,620.4	749.1	148.3	1,763.3	175.2	175.2	690.8	28,798	-982.5	48,025	53,109
2070	63,593.4	758.7	150.4	1,799.5	183.6	183.6	706.8	28,934	-974.7	49,967	55,700
2071	64,557.1	768.5	152.5	1,835.3	191.3	191.3	723.1	29,057	-965.9	51,974	58,384
2072	65,512.8	778.3	154.3	1,870.8	198.5	198.5	739.7	29,167	-956.1	54,048	61,163
2073	66,461.9	788.3	156.0	1,906.0	205.1	205.1	756.6	29,262	-945.2	56,193	64,039
2074	67,405.9	798.3	157.6	1,941.0	211.4	211.4	773.8	29,343	-933.2	58,409	67,017
2075	68,346.2	808.5	159.0	1,975.8	217.2	217.2	791.2	29,408	-920.0	60,700	70,099
2076	69,284.2	818.8	160.3	2,010.6	222.7	222.7	808.8	29,458	-905.8	63,067	73,287
2077	70,221.1	829.2	161.5	2,045.2	228.0	228.0	826.5	29,490	-890.4	65,513	76,586
2078	71,158.2	839.7	162.6	2,079.8	232.9	232.9	844.5	29,505	-873.8	68,041	79,988

Based on Intermediate Assumptions of the 2003 Trustees Report  
With Ult Real Int Rate of 3.0 TF,

Ultimate Real Yield Rate of IA  
Annuity Yield

5.2  
5.2

1/ General Fund Transfers to the Trust Funds have no effect on  
the Unified Budget. See memorandum for discussion.

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Table 1 c. OASDI Cash Flow to General Fund of the Treasury---Proposal vs. Theoretical OASDI  
In Billions of Dollars

	<u>Proposal</u>				<u>Theoretical Social Security with PAYGO Transfers</u>			
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year 1/				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year 1/			
	% of Pysl	Current \$	PV Jan 1, 03	Const 2003\$	% of Pysl	Current \$	PV Jan 1, 03	Const 2003\$
2003	1.8	78	76	78	1.8	78	76	78
2004	1.8	84	77	82	1.8	84	77	82
2005	-3.4	-167	-144	-159	2.0	95	82	91
2006	-3.7	-189	-154	-175	2.0	104	84	96
2007	-3.8	-204	-156	-183	2.0	111	85	100
2008	-3.9	-224	-161	-195	2.0	113	82	99
2009	-4.1	-247	-167	-209	1.9	113	77	96
2010	-4.3	-272	-173	-223	1.8	111	71	91
2011	-4.5	-298	-179	-237	1.6	108	65	86
2012	-4.7	-328	-186	-254	1.4	100	56	77
2013	-5.0	-362	-193	-272	1.2	88	47	66
2014	-5.3	-399	-200	-291	1.0	73	37	53
2015	-5.5	-438	-207	-310	0.7	55	26	39
2016	-5.8	-478	-213	-329	0.4	33	15	23
2017	-6.0	-521	-219	-348	0.1	7	3	4
2018	-6.3	-566	-224	-367	-0.3	-23	-9	-15
2019	-6.5	-611	-228	-385	-0.6	-56	-21	-35
2020	-6.7	-659	-232	-403	-0.9	-92	-33	-56
2021	-6.9	-710	-235	-421	-1.3	-133	-44	-79
2022	-7.0	-760	-237	-437	-1.6	-176	-55	-101
2023	-7.2	-808	-238	-452	-1.9	-218	-64	-122
2024	-7.3	-856	-238	-465	-2.2	-263	-73	-143
2025	-7.4	-904	-237	-476	-2.5	-310	-81	-163
2026	-7.4	-951	-235	-486	-2.8	-358	-88	-183
2027	-7.4	-996	-232	-495	-3.1	-409	-95	-203
2028	-7.4	-1,039	-228	-501	-3.3	-461	-101	-222
2029	-7.4	-1,079	-223	-505	-3.5	-513	-106	-240
2030	-7.3	-1,116	-217	-507	-3.7	-565	-110	-257
2031	-7.2	-1,148	-211	-507	-3.9	-617	-113	-272
2032	-7.1	-1,177	-204	-504	-4.0	-669	-116	-286
2033	-6.9	-1,201	-196	-500	-4.1	-719	-117	-299
2034	-6.7	-1,221	-188	-493	-4.2	-770	-118	-311
2035	-6.5	-1,237	-179	-485	-4.3	-819	-119	-321
2036	-6.3	-1,249	-171	-475	-4.4	-869	-119	-331
2037	-6.0	-1,254	-161	-464	-4.4	-917	-118	-339
2038	-5.8	-1,254	-152	-450	-4.5	-966	-117	-347
2039	-5.5	-1,248	-143	-435	-4.5	-1,015	-116	-353
2040	-5.2	-1,236	-133	-418	-4.5	-1,065	-115	-360
2041	-4.9	-1,218	-124	-400	-4.5	-1,117	-113	-367
2042	-4.6	-1,193	-114	-380	-4.5	-1,171	-112	-373
2043	-4.3	-1,161	-105	-359	-4.6	-1,230	-111	-381
2044	-4.0	-1,122	-95	-337	-4.6	-1,292	-110	-388
2045	-3.7	-1,078	-86	-314	-4.6	-1,360	-109	-397
2046	-3.3	-1,025	-77	-290	-4.7	-1,433	-108	-406
2047	-3.0	-963	-69	-265	-4.7	-1,510	-108	-415
2048	-2.7	-894	-60	-239	-4.8	-1,593	-107	-425
2049	-2.4	-820	-52	-213	-4.8	-1,681	-106	-436
2050	-2.0	-738	-44	-186	-4.9	-1,776	-106	-447
2051	-1.7	-650	-37	-159	-5.0	-1,878	-106	-459
2052	-1.4	-556	-29	-132	-5.0	-1,989	-105	-472
2053	-1.1	-454	-23	-104	-5.1	-2,105	-105	-485
2054	-0.8	-348	-16	-78	-5.2	-2,227	-105	-498
2055	-0.5	-247	-11	-54	-5.2	-2,356	-105	-511
2056	-0.3	-143	-6	-30	-5.3	-2,490	-104	-525
2057	-0.1	-36	-1	-7	-5.4	-2,630	-104	-538
2058	0.0	-1	0	0	-5.4	-2,775	-103	-551
2059	0.0	-1	0	0	-5.5	-2,924	-103	-564
2060	0.0	-1	0	0	-5.5	-3,079	-102	-577
2061	0.0	-1	0	0	-5.6	-3,240	-101	-589
2062	0.0	-1	0	0	-5.6	-3,411	-100	-602
2063	0.0	-2	0	0	-5.7	-3,592	-99	-616
2064	0.0	-2	0	0	-5.7	-3,782	-99	-629
2065	0.0	-2	0	0	-5.8	-3,984	-98	-644
2066	0.0	-2	0	0	-5.8	-4,196	-97	-658
2067	0.0	-2	0	0	-5.9	-4,422	-97	-673
2068	0.0	-2	0	0	-6.0	-4,660	-96	-689
2069	0.0	-2	0	0	-6.0	-4,910	-95	-705
2070	0.0	-2	0	0	-6.1	-5,175	-95	-721
2071	0.0	-2	0	0	-6.1	-5,453	-94	-738
2072	0.0	-2	0	0	-6.2	-5,745	-93	-755
2073	0.0	-2	0	0	-6.3	-6,051	-93	-772
2074	0.0	-2	0	0	-6.3	-6,373	-92	-789
2075	0.0	-2	0	0	-6.4	-6,711	-91	-807
2076	0.0	-2	0	0	-6.4	-7,065	-91	-825
2077	0.0	-3	0	0	-6.5	-7,435	-90	-842
2078	0.0	-3	0	0	-6.6	-7,825	-89	-861
Total 2003-77			-7,889				-4,922	

1/ Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers included in the proposal or in the theoretical plan (PAYGO Transfers).

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Table 1 d Proposal --Specified and Total General Fund Transfers to the OASDI Trust Funds

Year	Projected GDP (1)	Proj GDP with 1% less growth for 2005-2012 (2)	Specified GF Trans:			Specified Reverse Transfer TF to GF, for AnnBal 1/ (5)	Cumulative Net Transfer from the GF = (3)+(4)-(5) cum (6)	Proposal Net Annual Transfers from the GF to the TF		
			Cut in Fed Govt spend assumed= 20% of diff {(1)-(2)} (3)	Transfer from GF to TF for Corp Tax Recapture (4)	Billions of PV\$ 1-1-03 = (3)+(4)-(5) (7)			Percent of GDP (8)	Percent of Pysl (9)	
										<i>(billions of PV\$ 1/1/2003)</i>
2004	10,531	10,531	0	0		0	0	0.0	0.0	
2005	10,494	10,441	11	3		14	14	0.1	0.3	
2006	10,456	10,299	31	7		52	38	0.4	0.9	
2007	10,407	10,149	52	11		115	63	0.6	1.5	
2008	10,334	9,977	71	16		202	87	0.8	2.1	
2009	10,247	9,794	91	20		313	111	1.1	2.7	
2010	10,150	9,604	109	25		446	134	1.3	3.3	
2011	10,047	9,412	127	29		602	156	1.6	3.9	
2012	9,935	9,214	144	34		780	178	1.8	4.6	
2013	9,818	9,105	143	38		961	181	1.8	4.7	
2014	9,696	8,992	141	43		1,144	184	1.9	4.8	
2015	9,571	8,876	139	47		1,331	186	1.9	5.0	
2016	9,443	8,757	137	52		1,520	189	2.0	5.1	
2017	9,319	8,643	135	56		1,711	192	2.1	5.3	
2018	9,195	8,527	134	61		1,905	194	2.1	5.4	
2019	9,074	8,415	132	65		2,102	197	2.2	5.6	
2020	8,951	8,301	130	70		2,302	200	2.2	5.7	
2021	8,830	8,189	128	74		2,505	202	2.3	5.9	
2022	8,709	8,077	126	79		2,710	205	2.4	6.1	
2023	8,589	7,965	125	83		2,917	208	2.4	6.3	
2024	8,469	7,854	123	87		3,128	210	2.5	6.4	
2025	8,350	7,744	121	91		3,340	213	2.5	6.6	
2026	8,234	7,636	120	95		3,555	215	2.6	6.8	
2027	8,120	7,531	118	99		3,773	217	2.7	7.0	
2028	8,009	7,428	116	103		3,992	220	2.7	7.2	
2029	7,900	7,327	115	107		4,214	222	2.8	7.4	
2030	7,793	7,228	113	111	6.8	4,431	217	2.8	7.3	
2031	7,689	7,131	112	114	15.3	4,642	211	2.7	7.2	
2032	7,586	7,035	110	118	24.4	4,845	204	2.7	7.1	
2033	7,484	6,941	109	121	34.0	5,041	196	2.6	6.9	
2034	7,384	6,848	107	124	44.0	5,229	187	2.5	6.7	
2035	7,285	6,756	106	127	54.0	5,408	179	2.5	6.5	
2036	7,187	6,665	104	130	64.0	5,578	171	2.4	6.3	
2037	7,090	6,575	103	133	74.5	5,740	161	2.3	6.0	
2038	6,994	6,486	102	135	85.0	5,892	152	2.2	5.8	
2039	6,899	6,398	100	138	95.3	6,034	143	2.1	5.5	
2040	6,804	6,310	99	140	105.6	6,168	133	2.0	5.2	
2041	6,710	6,223	97	142	115.8	6,291	124	1.8	4.9	
2042	6,617	6,136	96	144	125.7	6,406	114	1.7	4.6	
2043	6,524	6,050	95	146	135.5	6,510	105	1.6	4.3	
2044	6,432	5,965	93	147	145.0	6,606	95	1.5	4.0	
2045	6,340	5,880	92	148	154.0	6,692	86	1.4	3.7	
2046	6,249	5,796	91	149	162.6	6,770	77	1.2	3.3	
2047	6,159	5,712	89	150	171.0	6,838	69	1.1	3.0	
2048	6,070	5,629	88	151	178.8	6,898	60	1.0	2.7	
2049	5,982	5,548	87	151	186.2	6,950	52	0.9	2.4	
2050	5,895	5,467	86	151	192.8	6,994	44	0.7	2.0	
2051	5,809	5,387	84	151	199.0	7,031	37	0.6	1.7	
2052	5,724	5,308	83	151	204.6	7,060	29	0.5	1.4	
2053	5,640	5,230	82	150	209.8	7,083	23	0.4	1.1	
2054	5,558	5,154	81	150	214.2	7,099	16	0.3	0.8	
2055	5,476	5,079	80	149	217.8	7,110	11	0.2	0.5	
2056	5,397	5,005	78	148	220.8	7,116	6	0.1	0.3	
2057	5,319	4,932	77	147	223.3	7,117	1	0.0	0.1	
2058	5,242	4,861	76	146	222.4	7,117	0	0.0	0.0	
2059	5,166	4,791	75	145	220.2	7,117	0	0.0	0.0	
2060	5,091	4,721	74	144	217.8	7,117	0	0.0	0.0	
2061	5,017	4,653	73	142	215.3	7,117	0	0.0	0.0	
2062	4,944	4,585	72	141	212.8	7,117	0	0.0	0.0	
2063	4,873	4,519	71	139	210.2	7,117	0	0.0	0.0	
2064	4,802	4,453	70	138	207.6	7,117	0	0.0	0.0	
2065	4,732	4,388	69	136	204.9	7,117	0	0.0	0.0	
2066	4,663	4,324	68	134	202.2	7,117	0	0.0	0.0	
2067	4,594	4,261	67	133	199.4	7,117	0	0.0	0.0	
2068	4,527	4,198	66	131	196.6	7,117	0	0.0	0.0	
2069	4,460	4,136	65	129	193.8	7,117	0	0.0	0.0	
2070	4,394	4,075	64	127	191.0	7,117	0	0.0	0.0	
2071	4,329	4,015	63	125	188.2	7,117	0	0.0	0.0	
2072	4,265	3,955	62	123	185.4	7,117	0	0.0	0.0	
2073	4,202	3,897	61	122	182.6	7,117	0	0.0	0.0	
2074	4,139	3,839	60	120	179.8	7,117	0	0.0	0.0	
2075	4,078	3,782	59	118	177.0	7,117	0	0.0	0.0	
2076	4,017	3,725	58	116	174.2	7,117	0	0.0	0.0	
2077	3,957	3,670	57	114	171.5	7,117	0	0.0	0.0	
2078	3,898	3,615	57	112	168.8	7,117	0	0.0	0.0	
Total: 2003-77			6,791	7,939	7612.9					

Based on Intermediate Assumptions of the 2003 Trustees Report  
1/ Limit reverse transfer to total of specified and recapture transfers

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Table 1 e Components of Cash Flow from the Trust Funds to the General Fund of the Treasury

Year	Total Cash Flow to the General Fund (Tab c:col 3) (1) <i>(billions of PV\$ 1/1/2003)</i>	Cash Flow Due to Net Specified Transfers under the Proposal (Tab d: (5)-(3)-(4)) (2)	Cash Flow for Net Purchase (Redemption) of Treasury Securities (3)	Total Cash Flow to the General Fund (= Columns (1) (2) (3) in Constant Dollars) (4) <i>(billions of constant 2003 dollars)</i>	Cash Flow Due to Net Specified Transfers (5)	Net Purchase (Redemption) of Treasury Securities (6)
2003	76		76	78		78
2004	77		77	82		82
2005	-144	-14	-130	-159	-15	-144
2006	-154	-38	-115	-175	-44	-131
2007	-156	-63	-93	-183	-74	-109
2008	-161	-87	-74	-195	-105	-89
2009	-167	-111	-56	-209	-138	-70
2010	-173	-134	-40	-223	-172	-51
2011	-179	-156	-23	-237	-207	-30
2012	-186	-178	-8	-254	-243	-11
2013	-193	-181	-12	-272	-255	-17
2014	-200	-184	-17	-291	-267	-24
2015	-207	-186	-21	-310	-279	-31
2016	-213	-189	-24	-329	-291	-37
2017	-219	-192	-27	-348	-304	-43
2018	-224	-194	-30	-367	-318	-48
2019	-228	-197	-31	-385	-332	-52
2020	-232	-200	-32	-403	-347	-56
2021	-235	-202	-33	-421	-362	-59
2022	-237	-205	-32	-437	-378	-60
2023	-238	-208	-30	-452	-394	-57
2024	-238	-210	-28	-465	-411	-54
2025	-237	-213	-24	-476	-428	-48
2026	-235	-215	-20	-486	-446	-40
2027	-232	-217	-14	-495	-464	-30
2028	-228	-220	-8	-501	-483	-18
2029	-223	-222	-1	-505	-503	-2
2030	-217	-217	0	-507	-507	0
2031	-211	-211	0	-507	-507	0
2032	-204	-204	0	-504	-504	0
2033	-196	-196	0	-500	-499	0
2034	-188	-187	0	-493	-493	-1
2035	-179	-179	0	-485	-485	-1
2036	-171	-171	0	-475	-475	0
2037	-161	-161	0	-464	-463	0
2038	-152	-152	0	-450	-450	-1
2039	-143	-143	0	-435	-435	0
2040	-133	-133	0	-418	-418	0
2041	-124	-124	0	-400	-400	0
2042	-114	-114	0	-380	-380	0
2043	-105	-105	0	-359	-359	0
2044	-95	-95	0	-337	-337	0
2045	-86	-86	0	-314	-314	0
2046	-77	-77	0	-290	-290	0
2047	-69	-69	0	-265	-265	0
2048	-60	-60	0	-239	-239	0
2049	-52	-52	0	-213	-212	0
2050	-44	-44	0	-186	-186	0
2051	-37	-37	0	-159	-159	0
2052	-29	-29	0	-132	-132	0
2053	-23	-23	0	-104	-104	0
2054	-16	-16	0	-78	-78	0
2055	-11	-11	0	-54	-53	0
2056	-6	-6	0	-30	-30	0
2057	-1	-1	0	-7	-7	0
2058	0	0	0	0	0	0
2059	0	0	0	0	0	0
2060	0	0	0	0	0	0
2061	0	0	0	0	0	0
2062	0	0	0	0	0	0
2063	0	0	0	0	0	0
2064	0	0	0	0	0	0
2065	0	0	0	0	0	0
2066	0	0	0	0	0	0
2067	0	0	0	0	0	0
2068	0	0	0	0	0	0
2069	0	0	0	0	0	0
2070	0	0	0	0	0	0
2071	0	0	0	0	0	0
2072	0	0	0	0	0	0
2073	0	0	0	0	0	0
2074	0	0	0	0	0	0
2075	0	0	0	0	0	0
2076	0	0	0	0	0	0
2077	0	0	0	0	0	0
2078	0	0	0	0	0	0

Based on Intermediate Assumptions of the 2003 Trustees Report

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Table 2		Ryan Prop--IA with Guarantee, Incrs GF Trans for spend cut thru 2016					IA Cntrb	6.4 %	Ben Offset	100.0 %
Low Yield Sensitivity Analysis	With Ult Real TF Int Rate of		3.0	Corp Tax to TF as % of Pre		Change		Effective OASDI Contrib Rate 2/	Cut in Contrib Rate for AnnBal	IA Contrib Rate--- Redirected from PyslTax
	With Ult Real IA Yld Rate of		2.75	tax IA RealYld		in OASDI				
	With Annuity Net Yld Rate		2.75	Net GF Trans		Effective Contrib Rate				
Year	Cost Rate	Income Rate 1/	Annual Balance	TFR 1-1-yr	to TF 1/ (%ofPysl)					
2003	10.89	12.70	1.81	288				12.40		0
2004	10.82	12.69	1.88	309				12.40		0
2005	10.73	7.62	-3.11	330	0.30	-5.38	7.02			5.38
2006	10.65	7.85	-2.80	305	0.86	-0.32	6.69			5.71
2007	10.67	8.31	-2.35	281	1.41	-0.11	6.59			5.81
2008	10.73	8.78	-1.95	260	1.96	-0.10	6.49			5.91
2009	10.84	9.26	-1.59	243	2.51	-0.09	6.40			6.00
2010	10.99	9.74	-1.25	228	3.06	-0.08	6.32			6.08
2011	11.16	10.27	-0.90	216	3.60	-0.06	6.26			6.14
2012	11.38	10.78	-0.60	207	4.15	-0.05	6.21			6.19
2013	11.62	11.29	-0.33	200	4.69	-0.04	6.16			6.24
2014	11.87	11.81	-0.06	196	5.22	-0.04	6.12			6.28
2015	12.12	12.32	0.20	194	5.75	-0.03	6.09			6.31
2016	12.39	12.85	0.46	194	6.28	-0.02	6.07			6.33
2017	12.64	12.92	0.28	197	6.35	-0.01	6.06			6.34
2018	12.90	13.00	0.10	198	6.42	-0.01	6.05			6.35
2019	13.14	13.08	-0.06	198	6.49	-0.01	6.04			6.36
2020	13.37	13.16	-0.21	197	6.57	-0.01	6.03			6.37
2021	13.61	13.24	-0.36	195	6.64	-0.01	6.03			6.37
2022	13.81	13.32	-0.48	193	6.71	-0.01	6.02			6.38
2023	13.96	13.40	-0.56	190	6.78	0.00	6.02			6.38
2024	14.10	13.48	-0.62	187	6.85	0.00	6.02			6.38
2025	14.21	13.55	-0.66	185	6.92	0.00	6.01			6.39
2026	14.30	13.63	-0.67	182	6.99	0.00	6.01			6.39
2027	14.36	13.70	-0.66	179	7.06	0.00	6.01			6.39
2028	14.38	13.77	-0.61	177	7.12	0.00	6.01			6.39
2029	14.37	13.84	-0.53	176	7.19	0.00	6.01			6.39
2030	14.33	13.91	-0.43	176	7.25	0.00	6.00			6.40
2031	14.26	13.97	-0.29	176	7.32	0.00	6.00			6.40
2032	14.16	14.03	-0.13	178	7.38	0.00	6.00			6.40
2033	14.04	14.04	0.00	182	7.39	0.00	6.00			6.40
2034	13.89	13.89	0.00	186	7.25	0.00	6.00			6.40
2035	13.72	13.72	0.00	191	7.09	0.00	6.00			6.40
2036	13.54	13.54	0.00	197	6.91	0.00	6.00			6.40
2037	13.34	13.34	0.00	203	6.72	0.00	6.00			6.40
2038	13.12	13.13	0.00	210	6.52	0.00	6.00			6.40
2039	12.90	12.89	0.00	217	6.29	0.00	6.00			6.40
2040	12.66	12.66	0.00	224	6.06	0.00	6.00			6.40
2041	12.41	12.41	0.00	232	5.83	0.00	6.00			6.40
2042	12.16	12.16	0.00	241	5.59	0.00	6.00			6.40
2043	11.90	11.90	0.00	250	5.34	0.00	6.00			6.40
2044	11.64	11.63	0.00	259	5.09	0.00	6.00			6.40
2045	11.37	11.37	0.00	270	4.84	0.00	6.00			6.40
2046	11.10	11.10	0.00	281	4.58	0.00	6.00			6.40
2047	10.83	10.82	0.00	293	4.32	0.00	6.00			6.40
2048	10.55	10.55	0.00	305	4.07	0.00	6.00			6.40
2049	10.30	10.29	0.00	318	3.82	0.00	6.00			6.40
2050	10.05	10.05	0.00	331	3.58	0.00	6.00			6.40
2051	9.80	9.80	0.00	345	3.35	0.00	6.00			6.40
2052	9.57	9.57	0.00	359	3.13	0.00	6.00			6.40
2053	9.33	9.33	0.00	375	2.90	0.00	6.00			6.40
2054	9.11	9.11	0.00	390	2.70	0.00	6.00			6.40
2055	8.90	8.90	0.00	406	2.49	0.00	6.00			6.40
2056	8.70	8.70	0.00	422	2.30	0.00	6.00			6.40
2057	8.51	8.51	0.00	439	2.12	0.00	6.00			6.40
2058	8.34	8.34	0.00	455	1.96	0.00	6.00			6.40
2059	8.19	8.19	0.00	471	1.82	0.00	6.00			6.40
2060	8.05	8.05	0.00	487	1.68	0.00	6.00			6.40
2061	7.93	7.93	0.00	503	1.57	0.00	6.00			6.40
2062	7.82	7.83	0.00	518	1.48	0.00	6.00			6.40
2063	7.73	7.73	0.00	533	1.39	0.00	6.00			6.40
2064	7.65	7.65	0.00	547	1.31	0.00	6.00			6.40
2065	7.58	7.58	0.00	561	1.24	0.00	6.00			6.40
2066	7.52	7.53	0.00	575	1.19	0.00	6.00			6.40
2067	7.47	7.47	0.00	589	1.14	0.00	6.00			6.40
2068	7.42	7.42	0.00	603	1.09	0.00	6.00			6.40
2069	7.38	7.38	0.00	616	1.05	0.00	6.00			6.40
2070	7.35	7.35	0.00	629	1.03	0.00	6.00			6.40
2071	7.33	7.33	0.00	642	1.00	0.00	6.00			6.40
2072	7.31	7.30	0.00	655	0.98	0.00	6.00			6.40
2073	7.29	7.29	0.00	667	0.96	0.00	6.00			6.40
2074	7.28	7.29	0.00	679	0.96	0.00	6.00			6.40
2075	7.27	7.28	0.00	692	0.95	0.00	6.00			6.40
2076	7.27	7.27	0.00	704	0.95	0.00	6.00			6.40
2077	7.27	7.27	0.00	716	0.94	0.00	6.00			6.40
2078	7.27	7.27	0.00	728	0.94	0.00	6.00			6.40
Summarized										
	CostRt	IncRt	ActBal	Change in						
2003	OASDI	OASDI	OASDI	ActBal						
-2077	11.45	11.77	0.32	2.24						

Based on Intermediate Assumptions of the 2003 Trustees Report  
With Ult Real Int Rate of 3.00

1/ Includes Specified and Corp Tax-based GF Transfers (see table .d)

2/ Net payroll tax rate to the Trust Funds; reduced by amount redirected for IA contribution, and cut for annual balance

Office of the Actuary  
Social Security Administration  
July 15, 2004

Table 2 a Proposal GF Transfers, OASDI Trust Fund Assets, Individual Account Assets, and Theoretical OASDI Assets

Calendar Year	Proposal General Fund Transfers			Accumulated GF Transfers at End of Year (4)	Total OASDI Trust Fund Assets at End of Yr (5)	Individual Account Assets 1/ at End of Yr (6)	Theoretical Social Security 2/ with Borrowing Authority; Net OASDI TF Assets End of Yr	
	Slowed FedGov Spending (1)	Corp Tax Recap (2)	Reverse Tran for Ann Balance (3)				Without GF Transfer (7)	With GF Transfer (amount for prop) (8)
	Billions of Constant 2003 Dollars							
2003	0	0	0	0	1,543	0	1,543	1,543
2004	0	0	0	0	1,683	0	1,683	1,683
2005	12	2	0	14	1,590	257	1,833	1,847
2006	36	5	0	57	1,502	543	1,990	2,046
2007	61	8	0	129	1,430	850	2,154	2,283
2008	87	11	0	234	1,374	1,177	2,323	2,557
2009	113	14	0	373	1,333	1,524	2,493	2,866
2010	141	18	0	547	1,307	1,891	2,664	3,212
2011	169	21	0	760	1,298	2,277	2,835	3,595
2012	198	25	0	1,012	1,304	2,679	3,001	4,013
2013	227	28	0	1,306	1,325	3,097	3,161	4,466
2014	257	32	0	1,643	1,361	3,530	3,312	4,954
2015	287	36	0	2,025	1,414	3,978	3,452	5,477
2016	318	40	0	2,455	1,483	4,439	3,579	6,034
2017	323	44	0	2,907	1,544	4,912	3,691	6,597
2018	329	48	0	3,382	1,596	5,399	3,786	7,167
2019	334	52	0	3,881	1,640	5,898	3,863	7,744
2020	339	57	0	4,406	1,675	6,409	3,921	8,326
2021	345	61	0	4,957	1,703	6,931	3,956	8,913
2022	350	66	0	5,534	1,722	7,465	3,971	9,505
2023	356	71	0	6,140	1,737	8,010	3,964	10,104
2024	361	76	0	6,774	1,748	8,565	3,936	10,710
2025	367	81	0	7,439	1,756	9,130	3,885	11,324
2026	373	86	0	8,134	1,763	9,704	3,813	11,947
2027	379	91	0	8,861	1,771	10,287	3,718	12,579
2028	385	96	0	9,622	1,782	10,879	3,601	13,223
2029	391	101	0	10,417	1,797	11,478	3,461	13,878
2030	397	106	0	11,248	1,821	12,085	3,300	14,548
2031	404	111	0	12,116	1,854	12,698	3,119	15,234
2032	410	117	0	13,022	1,900	13,317	2,917	15,939
2033	417	122	3	13,964	1,957	13,942	2,696	16,660
2034	424	127	18	14,931	2,015	14,572	2,457	17,388
2035	430	133	35	15,922	2,075	15,205	2,200	18,122
2036	437	138	53	16,938	2,137	15,842	1,925	18,863
2037	444	143	73	17,976	2,201	16,481	1,634	19,610
2038	452	149	94	19,037	2,267	17,122	1,326	20,363
2039	459	154	117	20,120	2,335	17,764	1,001	21,121
2040	466	159	141	21,222	2,404	18,405	661	21,883
2041	473	165	165	22,346	2,476	19,045	303	22,648
2042	481	170	191	23,489	2,550	19,683	-73	23,416
2043	488	175	218	24,652	2,626	20,318	-467	24,185
2044	496	180	246	25,835	2,704	20,948	-881	24,953
2045	503	185	275	27,036	2,785	21,573	-1,316	25,720
2046	511	190	304	28,256	2,868	22,192	-1,774	26,482
2047	519	195	335	29,495	2,953	22,805	-2,255	27,240
2048	527	200	365	30,753	3,041	23,409	-2,761	27,992
2049	535	205	395	32,030	3,132	24,002	-3,292	28,738
2050	543	210	425	33,329	3,225	24,582	-3,851	29,477
2051	551	214	455	34,648	3,322	25,151	-4,440	30,208
2052	559	218	484	35,990	3,421	25,709	-5,059	30,931
2053	567	223	514	37,354	3,524	26,259	-5,710	31,644
2054	576	227	543	38,741	3,630	26,804	-6,394	32,347
2055	584	231	573	40,154	3,738	27,341	-7,113	33,041
2056	593	236	602	41,593	3,850	27,873	-7,867	33,726
2057	602	240	630	43,059	3,965	28,398	-8,657	34,402
2058	611	244	656	44,556	4,083	28,918	-9,485	35,071
2059	620	248	682	46,085	4,206	29,433	-10,350	35,735
2060	630	252	707	47,648	4,331	29,943	-11,255	36,394
2061	639	256	730	49,249	4,461	30,448	-12,199	37,050
2062	649	260	751	50,889	4,595	30,949	-13,185	37,703
2063	659	264	773	52,570	4,733	31,447	-14,215	38,355
2064	669	268	793	54,295	4,874	31,941	-15,289	39,005
2065	679	272	813	56,066	5,020	32,433	-16,411	39,655
2066	689	276	831	57,886	5,171	32,922	-17,581	40,305
2067	699	280	850	59,756	5,326	33,410	-18,802	40,954
2068	709	284	867	61,679	5,485	33,896	-20,076	41,603
2069	720	288	885	63,655	5,649	34,382	-21,404	42,252
2070	731	292	901	65,690	5,818	34,868	-22,789	42,902
2071	741	296	917	67,785	5,993	35,354	-24,232	43,553
2072	752	300	933	69,941	6,172	35,841	-25,736	44,205
2073	763	304	949	72,161	6,356	36,329	-27,303	44,858
2074	775	308	963	74,449	6,547	36,820	-28,935	45,514
2075	786	312	977	76,807	6,744	37,312	-30,634	46,173
2076	797	316	992	79,236	6,946	37,808	-32,402	46,834
2077	809	320	1,007	81,739	7,154	38,306	-34,242	47,497
2078	821	324	1,022	84,318	7,368	38,808	-36,156	48,163

Based on Intermediate Assumptions of the 2003 Trustees Report

1/ Including annuity assets, assuming all annuitize fully.

2/ Theoretical Social Security is the current Social Security program with the assumption that the law is modified to permit forrowing from the General Fund of the Treasury.

Office of the Actuary  
 Social Security Administration  
 July 15, 2004

Table 2 b IA Assets & Contributions, OASI Benefit Changes, & Total Unified Budget Effect--Plus Cumulative GF Transfers 1/

Year	IA+Annuity Balance at End of Year (1)	Amount Contrib to IA: % by Fed Gov 100 (2)	Cost to guar OASDI +IA benefits at PLSched (3)	Ave IA Cntrb		Cut in Contrib Rate for AnnBal (5)	Change in Annual UnifBudg CashFlow (6)	Benefit Offset Change in Debt Held by the Public (EOY) (7)	Change in Ann UnifBudg Balance (8)	Cumulative Transfers	
				OASI Benefit Cut for IA Participation (4)	6.4 %					100.0 %	Based on Fed Spending Slowdown 1/ (9)
(Billions of Constant 2003\$)											
2004	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0.0	0	0
2005	256.6	249.3	0.0	0.0	0.0	-249.3	257	-256.9	12	2	
2006	543.3	271.3	0.0	0.0	0.0	-271.3	545	-295.0	49	8	
2007	850.0	282.8	0.0	0.0	0.0	-282.8	853	-324.3	113	16	
2008	1,177.0	293.8	0.0	0.0	0.0	-293.8	1,183	-354.4	206	28	
2009	1,524.0	304.3	0.0	0.0	0.0	-304.3	1,533	-385.0	329	44	
2010	1,891.3	314.4	0.0	0.0	0.0	-314.4	1,905	-416.3	484	63	
2011	2,277.3	323.3	0.1	0.0	0.0	-323.3	2,297	-447.5	673	87	
2012	2,679.4	331.3	1.2	0.7	0.0	-331.8	2,709	-479.3	897	115	
2013	3,097.3	339.3	2.5	2.5	0.0	-339.4	3,142	-511.4	1,158	147	
2014	3,530.4	346.9	4.1	5.0	0.0	-346.0	3,594	-543.5	1,458	185	
2015	3,977.9	354.1	5.8	8.4	0.0	-351.5	4,065	-575.6	1,798	227	
2016	4,438.8	360.4	7.7	13.5	0.0	-354.6	4,552	-606.2	2,180	275	
2017	4,912.3	366.5	9.8	20.1	0.0	-356.2	5,056	-636.1	2,578	328	
2018	5,398.7	372.4	12.2	28.0	0.0	-356.7	5,575	-666.3	2,994	388	
2019	5,897.5	378.3	14.9	37.2	0.0	-356.0	6,109	-696.3	3,428	453	
2020	6,408.5	384.2	17.8	48.0	0.0	-354.0	6,657	-725.8	3,881	525	
2021	6,931.1	390.0	20.9	60.0	0.0	-351.0	7,218	-755.1	4,352	604	
2022	7,465.1	395.8	24.3	73.1	0.0	-347.0	7,792	-784.2	4,844	690	
2023	8,009.8	401.6	28.0	87.4	0.0	-342.3	8,378	-813.3	5,356	784	
2024	8,564.9	407.5	32.0	102.9	0.0	-336.5	8,976	-842.0	5,889	886	
2025	9,129.9	413.3	36.2	119.7	0.0	-329.9	9,585	-870.5	6,443	995	
2026	9,704.2	419.1	40.7	137.6	0.0	-322.3	10,205	-898.7	7,021	1,113	
2027	10,287.4	425.1	45.5	157.3	0.0	-313.3	10,834	-926.1	7,621	1,240	
2028	10,878.9	431.1	50.6	178.6	0.0	-303.2	11,471	-952.8	8,246	1,376	
2029	11,478.2	437.3	56.0	201.0	0.0	-292.3	12,116	-979.3	8,896	1,521	
2030	12,084.8	443.6	61.6	224.5	0.0	-280.7	12,769	-1,005.5	9,572	1,675	
2031	12,698.0	450.0	67.6	249.1	0.0	-268.5	13,428	-1,031.5	10,275	1,840	
2032	13,317.4	456.6	73.8	274.6	0.0	-255.8	14,095	-1,057.4	11,006	2,016	
2033	13,942.2	463.2	80.4	301.1	0.0	-242.5	14,767	-1,083.1	11,765	2,202	
2034	14,571.8	469.9	87.3	328.5	0.0	-228.7	15,446	-1,108.7	12,555	2,399	
2035	15,205.4	476.7	94.9	356.7	0.0	-214.8	16,131	-1,134.5	13,375	2,607	
2036	15,842.1	483.5	102.8	385.9	0.0	-200.4	16,821	-1,160.2	14,226	2,827	
2037	16,481.3	490.5	111.2	416.0	0.0	-185.6	17,517	-1,185.7	15,111	3,060	
2038	17,122.1	497.4	119.9	447.1	0.0	-170.2	18,217	-1,211.0	16,029	3,305	
2039	17,763.7	504.5	128.9	479.3	0.0	-154.2	18,923	-1,235.9	16,983	3,562	
2040	18,405.0	511.6	138.4	512.7	0.0	-137.3	19,632	-1,260.2	17,972	3,833	
2041	19,045.1	518.7	148.2	547.5	0.0	-119.4	20,344	-1,283.8	18,999	4,118	
2042	19,683.0	525.9	158.5	584.0	0.0	-100.4	21,058	-1,306.3	20,064	4,416	
2043	20,317.7	533.1	169.1	622.2	0.0	-80.1	21,772	-1,327.6	21,169	4,729	
2044	20,948.0	540.4	180.2	662.2	0.0	-58.4	22,485	-1,347.5	22,314	5,057	
2045	21,572.9	547.7	191.8	704.0	0.0	-35.6	23,196	-1,366.1	23,502	5,400	
2046	22,192.1	555.1	203.5	747.7	0.0	-10.8	23,903	-1,382.7	24,734	5,758	
2047	22,804.5	562.4	215.6	793.1	0.0	15.1	24,605	-1,397.8	26,010	6,132	
2048	23,408.9	569.9	228.2	839.7	0.0	41.6	25,300	-1,411.9	27,333	6,522	
2049	24,001.6	577.4	242.2	887.3	0.0	67.8	25,989	-1,426.1	28,704	6,928	
2050	24,582.2	585.0	256.2	935.9	0.0	94.6	26,672	-1,439.2	30,124	7,352	
2051	25,151.3	592.6	270.0	985.2	0.0	122.6	27,346	-1,450.7	31,594	7,793	
2052	25,708.7	600.4	283.9	1,034.9	0.0	150.6	28,011	-1,461.7	33,118	8,252	
2053	26,259.4	608.2	295.8	1,084.0	0.0	180.0	28,666	-1,470.8	34,696	8,729	
2054	26,803.5	616.2	307.7	1,132.5	0.0	208.6	29,311	-1,480.0	36,330	9,225	
2055	27,341.2	624.2	319.1	1,180.4	0.0	237.0	29,946	-1,488.9	38,022	9,740	
2056	27,872.7	632.4	330.5	1,227.6	0.0	264.7	30,572	-1,498.0	39,773	10,275	
2057	28,398.4	640.8	341.7	1,274.0	0.0	291.5	31,189	-1,507.4	41,586	10,830	
2058	28,918.4	649.2	352.8	1,318.8	0.0	316.8	31,798	-1,517.8	43,464	11,406	
2059	29,433.1	657.8	363.8	1,362.2	0.0	340.5	32,401	-1,529.4	45,406	12,004	
2060	29,942.9	666.5	374.7	1,404.1	0.0	362.9	33,000	-1,542.0	47,417	12,624	
2061	30,448.2	675.3	385.5	1,444.7	0.0	383.9	33,594	-1,555.7	49,498	13,267	
2062	30,949.4	684.2	396.1	1,484.5	0.0	404.3	34,185	-1,569.9	51,652	13,933	
2063	31,446.8	693.1	406.5	1,523.7	0.0	424.1	34,774	-1,584.5	53,880	14,623	
2064	31,941.1	702.2	416.8	1,561.8	0.0	442.8	35,361	-1,600.0	56,184	15,338	
2065	32,432.7	711.4	426.6	1,599.3	0.0	461.3	35,947	-1,615.7	58,569	16,079	
2066	32,922.0	720.7	436.3	1,636.3	0.0	479.3	36,532	-1,631.7	61,035	16,846	
2067	33,409.6	730.0	445.7	1,673.2	0.0	497.4	37,115	-1,647.7	63,586	17,640	
2068	33,896.1	739.5	455.0	1,709.9	0.0	515.4	37,698	-1,663.6	66,224	18,461	
2069	34,381.9	749.1	464.1	1,746.1	0.0	533.0	38,280	-1,680.0	68,953	19,312	
2070	34,867.7	758.7	473.0	1,782.0	0.0	550.2	38,862	-1,696.7	71,774	20,192	
2071	35,353.8	768.5	481.8	1,817.4	0.0	567.1	39,443	-1,713.6	74,690	21,102	
2072	35,840.8	778.3	490.4	1,852.5	0.0	583.7	40,026	-1,730.9	77,706	22,044	
2073	36,329.3	788.3	498.9	1,887.3	0.0	600.1	40,608	-1,748.5	80,823	23,018	
2074	36,819.6	798.3	507.3	1,921.9	0.0	616.3	41,192	-1,766.3	84,046	24,026	
2075	37,312.2	808.5	515.6	1,956.3	0.0	632.3	41,776	-1,784.3	87,377	25,068	
2076	37,807.6	818.8	523.8	1,990.7	0.0	648.1	42,362	-1,802.6	90,819	26,146	
2077	38,306.0	829.2	532.0	2,024.9	0.0	663.8	42,949	-1,821.0	94,377	27,260	
2078	38,808.0	839.7	540.1	2,059.1	0.0	679.3	43,538	-1,839.7	98,054	28,411	

Based on Intermediate Assumptions of the 2003 Trustees Report  
With Ult Real Int Rate of 3.0 TF,

Ultimate Real Yield Rate of IA  
Annuity Yield

2.75  
2.75

1/ General Fund Transfers to the Trust Funds have no effect on  
the Unified Budget. See memorandum for discussion.

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Table 2 c. OASDI Cash Flow to General Fund of the Treasury---Proposal vs. Theoretical OASDI  
In Billions of Dollars

	<u>Proposal</u>				<u>Theoretical Social Security with PAYGO Transfers</u>			
	Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year 1/				Net Amount of Cash-Flow from the OASDI Trust Funds to the General Fund of the Treasury During the Year 1/			
	% of Pysl	Current \$	Billions of Dollars --- PV Jan 1, 03 Const 2003\$		% of Pysl	Current \$	Billions of Dollars --- PV Jan 1, 03 Const 2003\$	
2003	1.8	78	76	78	1.8	78	76	78
2004	1.8	84	77	82	1.8	84	77	82
2005	-3.4	-167	-144	-159	2.0	95	82	91
2006	-3.7	-189	-154	-175	2.0	104	84	96
2007	-3.8	-204	-156	-183	2.0	111	85	100
2008	-3.9	-224	-161	-195	2.0	113	82	99
2009	-4.1	-247	-167	-209	1.9	113	77	96
2010	-4.3	-272	-173	-223	1.8	111	71	91
2011	-4.5	-298	-179	-237	1.6	108	65	86
2012	-4.8	-329	-186	-254	1.4	100	56	77
2013	-5.0	-363	-194	-273	1.2	88	47	66
2014	-5.3	-401	-201	-292	1.0	73	37	53
2015	-5.6	-440	-208	-312	0.7	55	26	39
2016	-5.8	-482	-215	-332	0.4	33	15	23
2017	-6.1	-526	-221	-351	0.1	7	3	4
2018	-6.3	-572	-227	-371	-0.3	-23	-9	-15
2019	-6.6	-620	-231	-390	-0.6	-56	-21	-35
2020	-6.8	-670	-236	-409	-0.9	-92	-33	-56
2021	-7.0	-723	-240	-429	-1.3	-133	-44	-79
2022	-7.2	-776	-242	-447	-1.6	-176	-55	-101
2023	-7.3	-827	-244	-462	-1.9	-218	-64	-122
2024	-7.5	-879	-244	-477	-2.2	-263	-73	-143
2025	-7.6	-931	-244	-491	-2.5	-310	-81	-163
2026	-7.7	-982	-242	-503	-2.8	-358	-88	-183
2027	-7.7	-1,033	-240	-513	-3.1	-409	-95	-203
2028	-7.7	-1,082	-237	-522	-3.3	-461	-101	-222
2029	-7.7	-1,128	-233	-528	-3.5	-513	-106	-240
2030	-7.7	-1,172	-228	-533	-3.7	-565	-110	-257
2031	-7.6	-1,213	-223	-536	-3.9	-617	-113	-272
2032	-7.5	-1,252	-217	-536	-4.0	-669	-116	-286
2033	-7.4	-1,287	-210	-535	-4.1	-719	-117	-299
2034	-7.3	-1,318	-203	-532	-4.2	-770	-118	-311
2035	-7.1	-1,347	-195	-528	-4.3	-819	-119	-321
2036	-6.9	-1,373	-187	-523	-4.4	-869	-119	-331
2037	-6.7	-1,394	-179	-515	-4.4	-917	-118	-339
2038	-6.5	-1,411	-171	-506	-4.5	-966	-117	-347
2039	-6.3	-1,425	-163	-496	-4.5	-1,015	-116	-353
2040	-6.1	-1,435	-155	-485	-4.5	-1,065	-115	-360
2041	-5.8	-1,440	-146	-473	-4.5	-1,117	-113	-367
2042	-5.6	-1,442	-138	-460	-4.5	-1,171	-112	-373
2043	-5.3	-1,439	-130	-446	-4.6	-1,230	-111	-381
2044	-5.1	-1,432	-122	-430	-4.6	-1,292	-110	-388
2045	-4.8	-1,421	-114	-415	-4.6	-1,360	-109	-397
2046	-4.6	-1,405	-106	-398	-4.7	-1,433	-108	-406
2047	-4.3	-1,383	-99	-380	-4.7	-1,510	-108	-415
2048	-4.1	-1,357	-91	-362	-4.8	-1,593	-107	-425
2049	-3.8	-1,331	-84	-345	-4.8	-1,681	-106	-436
2050	-3.6	-1,303	-78	-328	-4.9	-1,776	-106	-447
2051	-3.4	-1,271	-71	-311	-5.0	-1,878	-106	-459
2052	-3.1	-1,238	-66	-294	-5.0	-1,989	-105	-472
2053	-2.9	-1,199	-60	-276	-5.1	-2,105	-105	-485
2054	-2.7	-1,160	-55	-259	-5.2	-2,227	-105	-498
2055	-2.5	-1,120	-50	-243	-5.2	-2,356	-105	-511
2056	-2.3	-1,080	-45	-228	-5.3	-2,490	-104	-525
2057	-2.1	-1,040	-41	-213	-5.4	-2,630	-104	-538
2058	-2.0	-1,003	-37	-199	-5.4	-2,775	-103	-551
2059	-1.8	-970	-34	-187	-5.5	-2,924	-103	-564
2060	-1.7	-940	-31	-176	-5.5	-3,079	-102	-577
2061	-1.6	-914	-28	-166	-5.6	-3,240	-101	-589
2062	-1.5	-893	-26	-158	-5.6	-3,411	-100	-602
2063	-1.4	-876	-24	-150	-5.7	-3,592	-99	-616
2064	-1.3	-865	-23	-144	-5.7	-3,782	-99	-629
2065	-1.2	-857	-21	-139	-5.8	-3,984	-98	-644
2066	-1.2	-854	-20	-134	-5.8	-4,196	-97	-658
2067	-1.1	-853	-19	-130	-5.9	-4,422	-97	-673
2068	-1.1	-855	-18	-126	-6.0	-4,660	-96	-689
2069	-1.1	-862	-17	-124	-6.0	-4,910	-95	-705
2070	-1.0	-873	-16	-122	-6.1	-5,175	-95	-721
2071	-1.0	-889	-15	-120	-6.1	-5,453	-94	-738
2072	-1.0	-910	-15	-120	-6.2	-5,745	-93	-755
2073	-1.0	-936	-14	-119	-6.3	-6,051	-93	-772
2074	-1.0	-966	-14	-120	-6.3	-6,373	-92	-789
2075	-1.0	-1,000	-14	-120	-6.4	-6,711	-91	-807
2076	-0.9	-1,039	-13	-121	-6.4	-7,065	-91	-825
2077	-0.9	-1,081	-13	-123	-6.5	-7,435	-90	-842
2078	-0.9	-1,129	-13	-124	-6.6	-7,825	-89	-861
Total 2003-77			-9,104				-4,922	

1/ Equals net investment in special Treasury Bonds by the Trust Funds less the Amount of General Fund transfers included in the proposal or in the theoretical plan (PAYGO Transfers).

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Table 2 d Proposal --Specified and Total General Fund Transfers to the OASDI Trust Funds

Year	Projected GDP (1)	Proj GDP with 1% less growth for 2005-2016 (2)	Specified GF Trans:		Specified Reverse Transfer TF to GF, for AnnBal 1/ (5)	Cumulative Net Transfer from the GF = (3)+(4)-(5) cum (6)	Proposal Net Annual Transfers from the GF to the TF		
			Cut in Fed Govt spend assumed= 20% of diff {(1)-(2)} (3)	Transfer from GF to TF for Corp Tax Recapture (4)			Billions of PV\$ 1-1-03 = (3)+(4)-(5) (7)	Percent of GDP (8)	Percent of Pysl (9)
2004	10,531	10,531	0	0		0	0.0	0.0	
2005	10,494	10,441	11	2		13	0.1	0.3	
2006	10,456	10,299	31	5		49	0.3	0.9	
2007	10,407	10,149	52	7		107	0.6	1.4	
2008	10,334	9,977	71	9		188	0.8	2.0	
2009	10,247	9,794	91	11		290	1.0	2.5	
2010	10,150	9,604	109	14		412	1.2	3.1	
2011	10,047	9,412	127	16		555	1.4	3.6	
2012	9,935	9,214	144	18		717	1.6	4.1	
2013	9,818	9,014	161	20		898	1.8	4.7	
2014	9,696	8,813	177	22		1,097	2.0	5.2	
2015	9,571	8,612	192	24		1,312	2.3	5.8	
2016	9,443	8,412	206	26		1,544	2.5	6.3	
2017	9,319	8,302	203	28		1,775	2.5	6.4	
2018	9,195	8,191	201	29		2,005	2.5	6.4	
2019	9,074	8,083	198	31		2,234	2.5	6.5	
2020	8,951	7,974	195	33		2,462	2.5	6.6	
2021	8,830	7,866	193	34		2,690	2.6	6.6	
2022	8,709	7,758	190	36		2,916	2.6	6.7	
2023	8,589	7,651	187	37		3,140	2.6	6.8	
2024	8,469	7,544	185	39		3,364	2.6	6.8	
2025	8,350	7,439	182	40		3,586	2.7	6.9	
2026	8,234	7,335	180	41		3,807	2.7	7.0	
2027	8,120	7,234	177	42		4,027	2.7	7.1	
2028	8,009	7,135	175	43		4,245	2.7	7.1	
2029	7,900	7,038	172	44		4,462	2.7	7.2	
2030	7,793	6,943	170	45		4,678	2.8	7.3	
2031	7,689	6,850	168	46		4,892	2.8	7.3	
2032	7,586	6,758	166	47		5,104	2.8	7.4	
2033	7,484	6,668	163	48	1.3	5,314	2.8	7.4	
2034	7,384	6,578	161	48	7.0	5,517	2.7	7.2	
2035	7,285	6,490	159	49	13.0	5,712	2.7	7.1	
2036	7,187	6,402	157	49	19.0	5,899	2.6	6.9	
2037	7,090	6,316	155	50	25.3	6,079	2.5	6.7	
2038	6,994	6,231	153	50	31.7	6,250	2.4	6.5	
2039	6,899	6,146	151	51	38.3	6,413	2.4	6.3	
2040	6,804	6,061	149	51	44.8	6,567	2.3	6.1	
2041	6,710	5,978	146	51	51.2	6,713	2.2	5.8	
2042	6,617	5,894	144	51	57.5	6,851	2.1	5.6	
2043	6,524	5,812	142	51	63.7	6,981	2.0	5.3	
2044	6,432	5,730	140	51	69.7	7,103	1.9	5.1	
2045	6,340	5,648	138	51	75.5	7,217	1.8	4.8	
2046	6,249	5,567	136	51	81.2	7,323	1.7	4.6	
2047	6,159	5,487	134	51	86.7	7,421	1.6	4.3	
2048	6,070	5,408	133	50	91.8	7,512	1.5	4.1	
2049	5,982	5,329	131	50	96.5	7,597	1.4	3.8	
2050	5,895	5,252	129	50	100.7	7,674	1.3	3.6	
2051	5,809	5,175	127	49	104.7	7,746	1.2	3.3	
2052	5,724	5,099	125	49	108.1	7,811	1.1	3.1	
2053	5,640	5,024	123	48	111.6	7,871	1.1	2.9	
2054	5,558	4,951	121	48	114.5	7,926	1.0	2.7	
2055	5,476	4,879	120	47	117.2	7,976	0.9	2.5	
2056	5,397	4,808	118	47	119.5	8,021	0.8	2.3	
2057	5,319	4,738	116	46	121.4	8,062	0.8	2.1	
2058	5,242	4,670	114	46	122.9	8,099	0.7	2.0	
2059	5,166	4,602	113	45	123.9	8,133	0.7	1.8	
2060	5,091	4,535	111	45	124.7	8,164	0.6	1.7	
2061	5,017	4,470	110	44	125.0	8,192	0.6	1.6	
2062	4,944	4,405	108	43	125.0	8,218	0.5	1.5	
2063	4,873	4,341	106	43	124.8	8,243	0.5	1.4	
2064	4,802	4,278	105	42	124.4	8,265	0.5	1.3	
2065	4,732	4,215	103	41	123.7	8,286	0.4	1.2	
2066	4,663	4,154	102	41	122.8	8,306	0.4	1.2	
2067	4,594	4,093	100	40	121.9	8,325	0.4	1.1	
2068	4,527	4,033	99	40	120.8	8,342	0.4	1.1	
2069	4,460	3,973	97	39	119.7	8,359	0.4	1.0	
2070	4,394	3,915	96	38	118.3	8,375	0.4	1.0	
2071	4,329	3,857	95	38	116.9	8,390	0.4	1.0	
2072	4,265	3,800	93	37	115.5	8,405	0.3	1.0	
2073	4,202	3,743	92	37	114.0	8,419	0.3	1.0	
2074	4,139	3,688	90	36	112.3	8,433	0.3	1.0	
2075	4,078	3,633	89	35	110.7	8,447	0.3	1.0	
2076	4,017	3,578	88	35	109.1	8,460	0.3	0.9	
2077	3,957	3,525	86	34	107.5	8,473	0.3	0.9	
2078	3,898	3,472	85	34	105.9	8,486	0.3	0.9	
Total: 2003-77			9,783	2,826	4135.8				

Based on Intermediate Assumptions of the 2003 Trustees Report  
1/ Limit reverse transfer to total of specified and recapture transfers

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Table 2 e Components of Cash Flow from the Trust Funds to the General Fund of the Treasury

Year	Total Cash Flow to the General Fund (Tab c:col 3) (1) <i>(billions of PV\$ 1/1/2003)</i>	Cash Flow Due to Net Specified Transfers under the Proposal (Tab d: (5)-(3)-(4)) (2)	Cash Flow for Net Purchase (Redemption) of Treasury Securities (3)	Total Cash Flow to the General Fund (4) <i>(billions of constant 2003 dollars)</i>	Cash Flow Due to Net Specified Transfers (5)	Net Purchase (Redemption) of Treasury Securities (6)
2003	76		76	78		78
2004	77		77	82		82
2005	-144	-13	-131	-159	-14	-144
2006	-154	-36	-118	-175	-41	-134
2007	-156	-58	-98	-183	-69	-115
2008	-161	-81	-80	-195	-98	-97
2009	-167	-102	-65	-209	-127	-81
2010	-173	-123	-51	-223	-158	-65
2011	-179	-143	-36	-237	-190	-48
2012	-186	-162	-24	-254	-222	-32
2013	-194	-181	-13	-273	-255	-18
2014	-201	-199	-2	-292	-289	-4
2015	-208	-216	7	-312	-323	11
2016	-215	-232	17	-332	-358	26
2017	-221	-231	10	-351	-367	16
2018	-227	-230	3	-371	-377	6
2019	-231	-229	-2	-390	-386	-4
2020	-236	-228	-7	-409	-396	-13
2021	-240	-227	-12	-429	-406	-22
2022	-242	-226	-16	-447	-416	-30
2023	-244	-225	-19	-462	-427	-36
2024	-244	-224	-20	-477	-437	-40
2025	-244	-222	-21	-491	-448	-43
2026	-242	-221	-21	-503	-458	-44
2027	-240	-220	-20	-513	-469	-44
2028	-237	-218	-19	-522	-480	-41
2029	-233	-217	-16	-528	-492	-37
2030	-228	-216	-13	-533	-503	-30
2031	-223	-214	-9	-536	-515	-21
2032	-217	-213	-4	-536	-527	-10
2033	-210	-210	0	-535	-535	0
2034	-203	-203	0	-532	-532	0
2035	-195	-195	0	-528	-528	-1
2036	-187	-187	0	-523	-522	0
2037	-179	-179	0	-515	-515	0
2038	-171	-171	0	-506	-506	0
2039	-163	-163	0	-496	-496	0
2040	-155	-155	0	-485	-485	0
2041	-146	-146	0	-473	-473	0
2042	-138	-138	0	-460	-459	0
2043	-130	-130	0	-446	-445	-1
2044	-122	-122	0	-430	-430	-1
2045	-114	-114	0	-415	-414	-1
2046	-106	-106	0	-398	-397	-1
2047	-99	-98	0	-380	-380	-1
2048	-91	-91	0	-362	-362	0
2049	-84	-84	0	-345	-344	-1
2050	-78	-78	0	-328	-328	0
2051	-71	-71	0	-311	-310	-1
2052	-66	-66	0	-294	-294	0
2053	-60	-60	0	-276	-276	0
2054	-55	-55	0	-259	-260	0
2055	-50	-50	0	-243	-243	0
2056	-45	-45	0	-228	-227	0
2057	-41	-41	0	-213	-212	0
2058	-37	-37	0	-199	-199	-1
2059	-34	-34	0	-187	-187	0
2060	-31	-31	0	-176	-175	-1
2061	-28	-28	0	-166	-166	0
2062	-26	-26	0	-158	-158	0
2063	-24	-24	0	-150	-150	0
2064	-23	-22	0	-144	-143	-1
2065	-21	-21	0	-139	-138	0
2066	-20	-20	0	-134	-134	0
2067	-19	-19	0	-130	-130	0
2068	-18	-18	0	-126	-126	0
2069	-17	-17	0	-124	-123	-1
2070	-16	-16	0	-122	-122	0
2071	-15	-15	0	-120	-120	0
2072	-15	-15	0	-120	-119	-1
2073	-14	-14	0	-119	-118	-1
2074	-14	-14	0	-120	-120	0
2075	-14	-14	0	-120	-120	0
2076	-13	-13	0	-121	-121	0
2077	-13	-13	0	-123	-122	0
2078	-13	-13	0	-124	-123	-1

Based on Intermediate Assumptions of the 2003 Trustees Report

Office of the Actuary  
Social Security Administration  
July 15, 2004