

## **Social Security: OASI, DI, and Trust Funds—CBO’s January 2020 Baseline**

Social Security has two parts: Old-Age and Survivors Insurance (OASI), which pays benefits to retired workers, their families, and some survivors of deceased workers; and Disability Insurance (DI), which makes payments to disabled workers and to their families until those workers reach the age at which they are eligible to receive full retired-worker benefits under OASI. The program is funded primarily through payroll taxes on employers and workers, who each pay 6.2 percent of earnings; self-employed workers pay the entire 12.4 percent tax.

To receive OASI or DI benefits, workers must have a substantial employment history and meet other criteria. CBO’s projections of outlays for OASI and DI benefits are based on the number of beneficiaries and their average benefits.

Although Social Security is part of the overall federal budget, its benefits are paid from trust funds that are funded from payroll taxes, interest on their balances, and income taxes on Social Security benefits. Under current law, the Social Security Administration may not pay benefits in excess of the available balances in a trust fund.

**Old-Age, Survivors, and Disability Insurance Trust Funds—CBO's January 2020 Baseline**

January 28, 2020

Billions of Dollars, by Fiscal Year

	Actual, 2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Income to Trust Funds</b>												
Payroll Tax Revenues	914	960	1,001	1,040	1,079	1,119	1,159	1,201	1,245	1,291	1,338	1,386
Other Income												
Income taxes on benefits	36	41	44	47	50	53	57	67	73	78	84	89
Federal payroll tax, employer share <sup>a</sup>	18	18	19	20	20	21	22	23	23	24	25	25
Interest <sup>a</sup>	83	80	74	71	66	62	59	55	50	44	35	25
Subtotal, Other Income	137	139	137	137	136	136	138	145	147	146	144	139
<b>Total Income</b>	<b>1,051</b>	<b>1,099</b>	<b>1,138</b>	<b>1,177</b>	<b>1,215</b>	<b>1,255</b>	<b>1,297</b>	<b>1,345</b>	<b>1,392</b>	<b>1,437</b>	<b>1,482</b>	<b>1,525</b>
<b>Outgo From Trust Funds</b>												
Benefits	1,033	1,088	1,153	1,224	1,301	1,380	1,462	1,547	1,636	1,728	1,822	1,920
Discretionary Administration	6	6	6	6	7	7	7	7	8	8	8	8
Treasury Administration	1	1	1	1	1	1	1	1	1	1	1	1
Railroad Retirement Transfer	5	5	5	5	5	5	5	5	5	5	5	6
<b>Total Outgo</b>	<b>1,045</b>	<b>1,100</b>	<b>1,164</b>	<b>1,237</b>	<b>1,313</b>	<b>1,393</b>	<b>1,475</b>	<b>1,560</b>	<b>1,649</b>	<b>1,742</b>	<b>1,836</b>	<b>1,934</b>
<b>Net Cash Flow (Includes interest)</b>												
OASI	3	1	-27	-60	-98	-136	-175	-209	-249	-298	-347	-401
DI	3	-2	0	1	-1	-3	-4	-6	-8	-7	-7	-8
<b>Primary Cash Flow (Excludes Interest)</b>												
OASI	-76	-76	-98	-128	-161	-195	-231	-261	-297	-340	-381	-425
DI	0	-5	-2	-2	-3	-5	-6	-8	-10	-8	-9	-9
<b>Balance (End of Year)</b>												
OASI	2,804	2,805	2,778	2,718	2,620	2,484	2,309	2,100	1,851	1,553	1,205	804
DI	96	95	95	96	95	92	89	83	75	68	61	54

Components may not sum to totals because of rounding.

The primary cash flow excludes interest income to the trust funds. Positive cash flows represent surpluses, and negative cash flows represent deficits.

DI = Disability Insurance; OASI = Old-Age and Survivors Insurance; SSA = Social Security Administration.

a. Transfers from the general fund to the Social Security trust funds. Such transfers appear in the budget as both positive outlays (the general fund portion) and negative outlays, or offsetting receipts (the trust fund portion).