



Social Security Trust Funds

Social Security is part of the overall federal budget, but its benefits are paid from trust funds that are funded from payroll taxes, interest on the trust funds' balances, and income taxes on Social Security benefits. (The trust funds also receive transfers from the Treasury's general fund, which are usually minimal.) The rules that govern baseline construction require the Congressional Budget Office to assume that scheduled payments from federal trust funds will continue to be made in full even if a trust fund has been exhausted and there is no legal authority to make such payments. Under current law, the Social Security Administration may not pay benefits in excess of the available balances in a trust fund.



Social Security Trust Funds

	Actual, 2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026- 2030	2026- 2035
BUDGET INFORMATION														
Billions of dollars, by fiscal year														
Income to Trust Funds														
Payroll Tax Revenue	1,260	1,304	1,364	1,418	1,472	1,530	1,591	1,654	1,718	1,782	1,848	1,917	7,375	16,293
Other Income														
Income taxes on benefits	54	67	82	89	94	100	106	112	118	125	133	140	472	1,100
Federal payroll tax, employer share ^a	23	23	24	25	26	27	27	28	29	30	31	32	129	278
Interest ^a	67	68	62	61	58	54	48	41	30	20	22	25	284	421
Subtotal, Other Income	144	158	168	176	179	181	181	181	177	175	186	196	885	1,800
Total Income	1,404	1,462	1,532	1,594	1,650	1,711	1,772	1,835	1,895	1,957	2,034	2,113	8,259	18,094
Outgo From Trust Funds														
Benefits	1,448	1,566	1,658	1,754	1,859	1,961	2,065	2,173	2,282	2,393	2,504	2,617	9,296	21,264
Discretionary Administration	6	6	7	7	7	7	7	8	8	8	8	8	35	75
Treasury Administration	1	1	1	1	1	1	1	1	1	1	1	1	4	8
Railroad Retirement Transfer	6	6	6	6	6	6	6	6	6	6	6	6	30	60
Total Outgo	1,461	1,578	1,671	1,768	1,872	1,975	2,079	2,187	2,297	2,408	2,519	2,632	9,365	21,407
Net Cash Flow (Includes interest income)														
Old-Age and Survivors Insurance	-91	-154	-177	-211	-261	-306	-352	-401	-454	-506	-543	-580	-1,308	-3,792
Disability Insurance	35	38	38	37	39	42	46	49	53	56	58	61	202	479
Primary Cash Flow (Excludes interest income)														
Old-Age and Survivors Insurance ^b	-154	-215	-231	-262	-309	-347	-386	-426	-466	-506	-543	-580	-1,535	-4,055
Disability Insurance	30	31	30	28	28	29	31	33	34	35	36	36	146	320
End-of-Year Balance														
Old-Age and Survivors Insurance ^b	2,582	2,428	2,251	2,040	1,779	1,473	1,121	719	265	c	c	c	n.a.	n.a.
Disability Insurance	178	216	254	291	330	372	418	467	520	575	634	694	n.a.	n.a.

Components may not sum to totals because of rounding. SSA = Social Security Administration; n.a. = not applicable.

Positive cash flows represent surpluses; negative cash flows represent deficits.

- a. Transfers from the general fund to the Social Security trust funds. Such transfers appear in the budget both as positive outlays (the general fund portion) and as negative outlays (offsetting receipts; the trust fund portion).
- b. CBO projects that the balance of the Old-Age and Survivors Insurance Trust Fund will be exhausted during 2033. Under current law, SSA cannot 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 section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, CBO's baseline incorporates the assumption that SSA will pay benefits in full even after the balance of a trust fund is exhausted. The two Social Security trust funds are legally separate, but if they were combined, the fund would be exhausted in 2034.
- c. After exhaustion, the balance of the Old-Age and Survivors Insurance trust fund is not meaningful under current law and is not shown in this table. For illustrative purposes, below are the estimated cumulative shortfalls in the Old-Age and Survivors Insurance trust fund beginning in 2033. The first line shows only the accumulated primary deficits after exhaustion. The second line also includes "negative interest," a measure of the potential costs of financing the shortfalls. Future legislation would determine whether those shortfalls would be funded, and if so, whether the trust fund would pay financing costs.

Old-Age and Survivors Insurance Trust Fund												
Cumulative End-of-Year Shortfall (Billions of dollars, by fiscal year)												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Not Including Interest	0	0	0	0	0	0	0	0	-241	-784	-1,364	
Including Negative Interest	0	0	0	0	0	0	0	0	-244	-803	-1,404	