



SAVING SOCIAL SECURITY THROUGH MARKET INVESTMENTS

SPRING 2025

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INTRODUCTION

For decades, pundits have been warning that the current trajectory of the Social Security system is unsustainable. When the system was first established in 1935 there were 40* workers for every retiree. By 2025, the number of workers was a mere 2-3* for every retiree. At the present rate, it is estimated that the Social Security system will have to reduce benefits to every retiree by 21% in 2033 if nothing is done to make the system more viable¹.

Proposals have been suggested that would impose significant tax increases on all taxpayers to close the delta, or to raise the retirement age, or to further tax the Social Security recipients themselves. Each of these suggestions can be very painful.

However, there is a better way.

For decades, some analysts have recommended that the system be modified to allow for investment of at least some Social Security funds in the stock market, as opposed to very conservative treasury notes. But this suggestion has been a dead end primarily because of pushback by many who claim that the placement of any funds in the stock market would inject too much risk into the stability of the Social Security Trust Fund.

Even those elected officials who vehemently disagree with this notion nevertheless hold back on embracing full or partial stock investments for fear of the political blowback that would come from the opposition party or the media making claims that the pro-investment officials were seeking to risk or cut the Social Security payments for millions of Americans.

A quick analysis of the numbers clearly proves that these concerns about potential losses to the Social Security system as a result of stock investments are totally unfounded. In fact, it is shocking as to how much money has been lost to the system over the last 20 years because of the overly cautious investment schemes propagated by those managing the Social Security Trust Fund.

Despite all the ups and downs of the market, including the most volatile times such as the aftermath of 9/11, the pandemic, or the real estate crash of 2007, had the Trust Fund been invested in a Standard & Poor's index fund in 2005, it would be flush with an additional \$8.8 trillion than is presently the case². Privatizing just 25% of the Trust Fund would have resulted in an additional \$13,775 more per person³.

In 2005, the Social Security Trust Fund held \$1.81 trillion in its accounts. In 2025, the fund was at \$2.8 trillion. This is an increase of 55.6%, which equates to a paltry 2.2% annual increase.

¹[Social Security Faces Serious Financial Shortfalls and Other Takeaways From the Trustees Report. Retiree Resources: Understanding Social Security | Western Conference Teamsters](#)
[How Secure is Social Security? | F&M Trust](#)

² *This estimate was calculated using the compound growth of the S&P 500 total return index (which includes reinvested dividends) from 2005 to 2025.*

³ [Fiscal Year Trust Fund Operations](#)

Meanwhile, the Standard & Poor's Index rose an average of 9.82% over that same period. The index in January of 2005 was at 1,181. By January of this year, that number was 5,979, an astonishing 406% increase. This means that a \$100 investment in the S&P 500 at the start of 2005 would have grown to around \$745.98 by the end of 2025, assuming all dividends were reinvested.

The 406% increase cited for January 2025 would have increased to 420% at the peak of the S&P market in February of 2025. However, it is essential to note that even with the sharp decline in the market since President Trump's tariff discussions began, there would still, as of April 18th, 2025, have been a remarkable 373.5% increase in the Trust Fund since 2005.

DIFFERENT OPTIONS FOR GROWTH

There are two ways to seek greater returns through the market for the Social Security system to become more viable. The first is along the lines of that prescribed by former presidential candidate Steve Forbes. Forbes proposed a system whereby younger Americans would be able to have greater control over the funding they lay out for the Social Security system through their tax payments. Instead of all of the money in their FICA (Federal Insurance Contributions Act) taxes going to the government, a portion can remain under the control of the private individual, who can then utilize those funds to open their own 401K type account that will grow over the years.

Forbes's Social Security Privatization Proposal

Forbes proposed a significant overhaul of the Social Security system.

Forbes argued that the existing Social Security system offered a modest return, estimating a lifetime return of about 2.2% for the average worker. In contrast, he highlighted that historical returns from stock market investments ranged between 9% to 10% annually. He believed that transitioning to a system with personal investment accounts would provide a more substantial retirement income for future retirees.

Key Components of Forbes' Proposal:

1. **Personal Retirement Accounts (PRAs):** Forbes advocated for younger workers to have the option to divert a portion of their payroll taxes into PRAs, similar to IRAs or 401(k) plans. These accounts would be individually owned and invested in government-approved stocks and bonds, with the potential for higher returns compared to the traditional system⁴.
2. **Phased Implementation:** The plan proposed a gradual increase in the percentage of payroll taxes that could be allocated to PRAs, starting with 4% in 2002 and reaching up to 8% by 2006. This approach aimed to ensure a smooth transition without abruptly disrupting the existing system⁵.

⁴ [Forbes Pumps Up Social Security Issue, and His Image](#)

⁵ [Frank Baumgartner's Website](#)

3. **Protection for Current Beneficiaries:** Forbes emphasized that individuals aged 55 and older would experience no changes to their benefits. The existing Social Security system would continue to honor its commitments to current and imminent retirees, ensuring that promises made were promises kept⁶.
4. **Tax Incentives and Flexibility:** The proposal included provisions to make the assets in PRAs free from federal income tax. Additionally, workers would have the freedom to choose their retirement age, access their accounts around age 60 (five years before the current age for full benefits), and pass on any remaining assets to their heirs, promoting greater flexibility and ownership⁷.
5. **Government Guarantee:** To mitigate potential risks associated with market fluctuations, Forbes proposed a government-backed minimum benefit, ensuring a safety net for retirees whose investments might underperform. This measure aimed to combine the advantages of private investment with the security traditionally associated with government programs⁸.

Rationale Behind the Proposal:

Forbes believed that allowing individuals to invest their Social Security contributions would harness the power of compound interest, potentially yielding higher retirement incomes. He argued that this shift would promote personal ownership, reduce government intervention, and address the long-term solvency concerns of the Social Security system.

Critiques and Challenges:

Critics of the proposal raised concerns about the financial implications of diverting payroll taxes into private accounts, particularly regarding the funding of current retirees' benefits during the transition period. There were apprehensions about increased financial risks for individuals due to market volatility and the potential for significant costs to the government if investment returns were lower than expected⁹.

Despite these debates, Forbes' proposal contributed to the broader national discussion on Social Security reform, highlighting the need to explore innovative solutions to ensure the program's sustainability for future generations.

One version of the Forbes plan assumes that “5 percent of the present payroll tax is diverted into private retirement accounts; an extra 1.5 percent payroll tax is imposed to help pay off Social Security’s past liabilities; and the remaining Social Security program is converted into a modest flat-rate pension plan that can be financed with a tax rate of just 7.4 percent.”¹⁰

The privatization plan described above requires substantial federal borrowing over a transition period that lasts about three decades. At the time, actuaries estimated this would require the Treasury to issue about

⁶ [Frank Baumgartner's Website](#)

⁷ [Los Angeles Times](#)

⁸ [On The Issues](#)

⁹ [Los Angeles Times](#)

¹⁰ [Privatizing Social Security: The Troubling Trade-Offs](#)

\$2 trillion in extra debt, an amount equal to slightly more than 20 percent of national income at the point of peak borrowing. The Treasury was assuming a 2.3 percent interest rate to borrow these funds¹¹. According to an article published by the Cato Institute:

Commentators claim partial privatization would mean that pensions could be lost in a financial crash. That ignores that the money isn't all invested or withdrawn at the same time, meaning that the performance in a single year isn't crucial. The returns from the normal income pension is around 2% per year, but from the private accounts the average Swede has made an impressive average return of roughly 10% a year since its inception in 1995, despite the dot-com crash, the financial crisis and the pandemic¹².

Successful Privatization Accounts in Sweden

It is interesting that there is so much fear within America regarding investment in equities for retirement systems given that there are successful prototypes that have already been established in other Western democracies. Most ironic is the huge gain in retirement investments in the stock market by Sweden, which many Americans consider a semi-socialist nation.

The success of the Swedish program should assuage American capitalists of their irrational fear of placing at least some retirement funds into equities. Sweden, like Australia, has adopted a system along the lines of what Forbes has proposed for the U.S., whereby individual employees can direct their retirement contribution toward an individualized account of which the employee would have the freedom to invest in various growth opportunities. The results have been quite good.

If a person began contributing to Sweden's Premium Pension system in 2005 and invested in the default government-managed fund (AP7 S  fa), they would have seen strong growth over the past 20 years. The AP7 S  fa fund has performed exceptionally well, averaging about 14% annual returns. In some standout years, such as 2021, 2023, and 2024, the fund returned 31.5%, 18.4%, and 27.3%, respectively¹³.

Assuming consistent annual contributions of SEK 10,000 (Swedish Krona), over a 20-year period and compounding at that 14% average rate, the individual's account would have grown to approximately SEK 910,200 by 2025.

Successful Privatization Accounts in Australia

If you had started contributing \$10,000 AUD per year to an Australian superannuation fund in 2005, by 2025 your investment would have grown significantly, depending on the performance of the fund you chose. With a conservative average return of 5.8% per year, which is typical for balanced funds, your superannuation would have grown to about \$30,883 AUD. If you had invested in a higher-performing growth fund with an average return of 6.4% per year, your account balance would have risen to around \$34,581 AUD.

¹¹ [Privatizing Social Security: The Troubling Trade-Offs](#)

¹² [How Sweden Saved Social Security | Cato Institute](#)

¹³ [Sweden's AP7 reports average returns of 18.4 per cent](#)

These calculations assume consistent annual contributions and do not account for factors like fees or taxes. Over time, even with a steady contribution, the power of compound interest and the performance of the investment would result in significant growth. For example, funds like AustralianSuper's Balanced Option and First Super's Growth Option have shown strong returns over the long term, highlighting how consistent contributions can build wealth in Australia's superannuation system¹⁴.

Had the Australian system been based on the poultry 2.2% average return that we get in the U.S., the Australian recipient would be sitting on a mere \$276,400. as opposed to \$439,023.70 AUD total.

OPTION B: Partial Investment of the Trust Fund in a Stock Index Fund

The idea of taking all, or at least a portion, of the reserves in the Social Security Trust Fund and placing them in a stock market index fund to derive greater returns on investment is not a new one. It was one of the several recommendations proposed in a federal panel, circa 1996, entitled the *Social Security Advisory Council*. It was established by Congress through the *Social Security Independence and Program Improvements Act of 1994*.

While some members favored the Forbes approach of creating individual accounts controlled by the taxpayer, others called for a portion of the Trust Fund to be invested in equities. As noted in the report:

As stated in the section on agreed-upon "findings, principles, and recommendations," the Council favors the movement from pay-as-you-go financing to partial advance funding of Social Security. When the size of the fund was limited to a contingency reserve -- defined as a reserve equal to 100 percent to 150 percent of the next year's outgo -- earnings on investments made little difference to long-range financing. Now with the trust fund ratio soon moving beyond 150 percent (the fund is currently at about \$500 billion, 140 percent of next year's outgo), the return on investment can make a major difference in long-range financing. The plan, therefore, proposes to change investment policy from exclusive use of special Government issues with a yield equal to the average on all outstanding long-term debt of the United States (projected to average 2.3 percent in real terms over the next 75 years). Under the plan, Social Security, like other public and private defined benefit pension plans, would invest a sizable portion of the growing fund in private equities¹⁵.

One group of Council members favors a maintenance of benefits (MB) plan. It would maintain the present Social Security benefit and tax structure essentially as is, though with an extension of the benefit computation period, or alternatively a small increase in the contribution rate, and coverage of newly hired State and local government employees. The plan would gain revenue by more complete Federal income taxation of current Social Security benefits and by a redirection of some taxes on OASDI benefits now going to the HI Trust Fund phased in between 2010 and 2019. The goal of eliminating "drifting out of balance because of the passage of time" would be reached in this plan by a 1.6 percent combined employer-employee payroll tax increase in 2045.

¹⁴ [Investment options | First Super](#)

¹⁵ [1994-96 Advisory Council Report FINDINGS, RECOMMENDATIONS AND STATEMENTS](#)

It envisions, after a period of study and evaluation, the possibility of a large-scale investment of OASDI Trust Fund monies in the equity market in order to help bring the program into balance and to greatly improve the money's worth ratios for young workers and future generations. The analysis in the report assumes that this change would be made within a few years¹⁶.

The important specific provisions are as follows:

All Social Security benefits in excess of already taxed employee contributions would be included in Federal taxable income and the proceeds deposited in the OASDI Trust Funds. This includes revenue now going to the HI Trust Fund, which would be redirected to OASDI phased in between 2010 and 2019 as Medicare is refinanced for the long run.

All State and local government employees hired after 1997 would be covered under Social Security¹⁷.

The benefit computation period would be extended from 35 to 38 years phased in over the 1997-1999 period, reducing benefits an average of 3 percent, or alternatively, contribution rates would be increased in 1998 by 0.15 percent of covered wages for employees, matched by the employer.

Except for the possible alternative of a small 1998 increase, deductions from workers' earnings and the matching contributions of employers would not be increased for the next 50 years at which time, in order to meet the new actuarial test of a stable trust fund ratio at the end of the 75-year estimating period, the combined employer-employee payroll tax rate would be increased by 1.6 percentage points.

The supporters of the MB plan have urged the adoption within the next year or two of changes that would reduce the 2.17 percent of payroll deficit to 0.80 percent of payroll, thus postponing the estimated trust fund exhaustion date from 2030 to 2050. And they have urged for further study and examination a plan that would eliminate the remaining 0.80 percent of payroll deficit by investing a portion of future trust fund accumulations in stocks of private companies indexed to the broad market.

Historically, the differential between the real return on Government bonds and the real return on stocks has been about 4.7 percentage points per year. Under this proposal the major part of the OASDI Trust Funds would still be in Government bonds drawing a projected 2.3 percent real return, and up to 40 percent of the funds would be invested in stocks projected to draw 7 percent real return. This means that under the plan the total real return on the total fund would eventually build up to 4.2 percent. Consideration should also be given to investments in corporate bonds and instrumentalities of the United States such as Fannie Mae, which would raise the return somewhat further.

¹⁶ [1994-96 Advisory Council Report FINDINGS, RECOMMENDATIONS AND STATEMENTS](#)

¹⁷ [1994-96 Advisory Council Report FINDINGS, RECOMMENDATIONS AND STATEMENTS](#)

The eventual 40 percent stock investment share is arbitrary. It is conservative by private pension standards -- these private pensions typically invest over 40 and up to 60 percent of their funds in equities. It is also a rather conservative attempt to capture directly for Social Security some of the economic benefit to the nation from investing the Social Security surpluses in Government bonds. When an additional dollar of Social Security reserves is invested in Government obligations (and assuming no change in taxes or spending in the rest of the budget), it absorbs an additional dollar of Federal borrowing, thereby releasing an additional dollar of private savings for private investment. Thus, it could be argued that the proper credit for the economic contribution of building the Social Security fund would be the return on all physical capital, about 6 percent net of corporate taxes, rather than the 4.2percent sought by this plan.

Yet it seems wise to adopt a policy of seeking a conservative return for Social Security in this plan since it would be a considerable departure from current practice. In any case the 40 percent allocation to equities is not a magic number -- the share could be 35 percent or 45 percent.

In evaluating this proposal, the Council had outside help in stochastic modeling of the degree of financial risk involved as the amount put in private equities is increased. (See "Presentations to the Council," Volume II of the Council's report, pp. 341-345.) **When considered over a long period of time, the model showed only a slight increase in financial risk at this level of equity investment.** As a matter of financial theory, the diversification achieved by investing in both stocks and government bonds should also reduce portfolio risk for the OASDI Trust Fund. Under the MB plan as presented, investment in equities would begin in the year 2000 and reach 40 percent of the accumulations by 2014.

The trust fund investment in equities would be overseen by an investment policy board nominated by the President and confirmed by the Senate. The investment policy board would be subject to legislated fiduciary standards mandating that trust fund investment policy is intended solely for the economic benefit of Social Security participants, and not for other economic, social, or political objectives. The investment policy board would have two major responsibilities: (1) selecting among alternative passive market indexes, and (2) conducting a competitive bidding process to select the equity index portfolio managers. The investment policy board would be an expert panel charged with selecting among passive market indexes such as the Standard and Poor's Indexes, the Wilshire Indexes, the Russell Indexes, and various other U.S. and global market passive indexes that may be developed in the future. Selection of the portfolio manager or managers would be competitively bid among leading equity index managers serving large institutional accounts, with the objective of securing the highest level of technical expertise and relevant portfolio management experience at the lowest possible cost. The investment policy board would monitor portfolio and investment manager performance, and consider changes from time to time in the passive index or portfolio managers as appropriate.

It would also be important to determine the best way to neutralize the effect of Social Security holdings on stockholder voting on company policy. Perhaps just barring the voting of Social Security-held stocks by law would be enough. Or it might be desirable for voting of Social Security stocks to automatically be scored in the same proportion as other stockholder votes. Or if some votes on important policy such as changing management requires more than a majority for

approval, perhaps the computation of the base to which the proportional vote is applied should be computed without counting stock held by Social Security. In one way or another, the neutrality of Social Security's voting rights should be established.

It is important not to confuse this proposal to invest part of Social Security funds in stocks indexed to the market with the various individual account proposals from other Council members. The sole purpose of Social Security's investment in equities is to secure a higher return than can be obtained from the present practice of investing all funds in Government bonds. Otherwise, the Social Security structure would be little changed. Social Security would remain a defined benefit plan with the amount of benefits and the conditions under which they are paid, and the definition of who pays how much, continuing to be a matter of Federal law. The program would continue to be administered by the Federal Government. The individual account proposals, by definition, establish compulsory savings plans with the individual investing the savings and in retirement getting back whatever the investment yields. In other words, individual accounts represent a partial shift from a defined benefit plan to a defined contribution plan like a 401(k) or an Individual Retirement Account (IRA). The MB Plan remains a defined-benefit plan.
(Emphasis added.)

Had congress implemented these suggestions back in 1996, the 9.3% average rate of return in the Standard and Poor's index would have brought the trust fund to \$5.6 trillion today, over twice as much and presently sits in the reserves¹⁸. Even if only part of the trust fund was invested in the index, it is still obvious that the reserves would be more plentiful today¹⁹.

The Trust Fund is Now Running Annual Deficits

Until just a few years ago, the Social Security system had more money coming in on an annual basis than was needed to make payments to the elderly recipients. Thus, surpluses developed. In 2005, total income to the Old-Age, Survivors, and Disability Insurance Trust Funds took in approximately \$701 billion, which was more than the approximately \$529 billion that they spent. This pattern of taking in more money than was being spent continued for several years until it peaked in 2020 when the trust funds took in approximately \$1.118 trillion while spending \$1.107 trillion. By 2021, however, the trend started to reverse as the trust funds took in \$1.088 trillion while spending approximately \$1.107 trillion.

Since then, the reserves have slowly been depleting. The trust fund reserves peaked at approximately \$2.908 trillion in 2020, lessening to approximately \$2.721 trillion in 2024—a depletion of approximately \$187 billion in just 4 years.

¹⁸ [Payments to Social Security Trust Funds](#)

¹⁹ [S&P 500 Returns since 1996](#)

This is all the more reason why a greater return on the trust fund investment is needed in the immediate future.

New York's Higher Return For Its Pension System

An example of how the federal government can bring in a higher rate of return, while limiting risk, is to look at how the New York State pension system (New York State Common Retirement Fund - NYSCRF) has grown at a much healthier rate due to its flexibility to invest in equities. In New York, the state comptroller is the sole fiduciary who manages the fund.

Certainly, this elected official is not going to want to risk losses in the fund, lest he be vulnerable in the upcoming election. On the other hand, state retirees anticipating their retirement checks want to see a healthy and vibrant reserve system that continues to grow at an acceptable pace. Consequently, the comptroller, like those before him, has established a well-balanced portfolio for the reserves. The \$263 billion presently sitting in reserves is invested as follows²⁰:

- Public Equities: 42.32%
- Cash, Bonds & Mortgages: 22.07%
- Private Equity: 14.71%
- Real Estate & Real Assets: 13.14%
- Credit, Absolute Returns & Opportunistic Alternatives: 7.76%

Bonds constitute a mere 22.07% of the overall investments, and real estate investments diversify the portfolio to an even greater extent. Despite investing 57% of the fund in equities, there has never been a point where the fund was in jeopardy. The rates of return for the New York Pension System from 2005 to 2025 was a robust 4.2% as opposed to 2.2% from Social Security. In 2023-24, the fund brought in a return of over 11%.

²⁰[DiNapoli: State Pension Fund Investments Return 11.55% for State Fiscal Year 2023-24 | Office of the New York State Comptroller](#)

CONCLUSION

The status quo for our Social Security system is unsustainable. Since 2021, we have been taking less money into the system than we have been paying out to our beneficiaries. As the worker to retiree ratio continues to diminish that trend will exacerbate over the next decade. At the present trend, the reserve would be depleted by 2033, leading to an automatic cut in the average benefit of approximately 20%.

Ducking the issue will only exacerbate the problem.

Some have recommended raising the retirement age further. Others have called for massive tax increases to make up the deficits that are being experienced on an annual basis.

But neither of those draconian measures need to be taken. By allowing for more investment in higher yielding market options, we can enhance the stability of the Social Security system without major tax increases or making Americans work harder and longer.

We lost golden opportunities to reap trillions of extra dollars over the last few decades when proposals for at least partial equity investments were ignored. The fears related to stock volatility are unfounded given that even after the worst slides in the market after 9/11, the real estate crash of 2007, and the pandemic, the market always rebounded. Thus, over the long haul, the stock returns will outpace our present form of investment 4 to 5 fold.

There have been two options suggested to effectuate stock investment. The first would set up individual accounts. The systems have worked well in other nations, including Australia and Sweden. But it is the position of our Center that the wiser and more stable way to proceed is through a partial investment of the fund itself in equities while being controlled by federal fiduciaries, similar to how the New York State pension system is managed.

Had we adopted the congressional proposals in 1996, the trust fund would have been far richer today and the need for panic would never have materialized. Even had we implemented the program in 2005 as some had suggested, the fund would be flush with money today.

An average portfolio advisor will recommend that senior citizens place the majority of their money in safe bonds, but have at least some of their funds in higher growth options. This is a way to grow your portfolio while hedging against downturns. That's the route that our government should take. Even if we started with just 25% of the Trust Fund invested in an Standard and Poor's index, it would solve a good deal of the problems that are presently being faced by this system.

We've lost a significant amount of potential revenue over the years by sticking to the status quo, but it's not too late to take corrective action. The well-being of our future generations are dependent upon it.

APPENDIX A

(Old-Age, Survivors, and Disability Insurance Trust Funds, 1957-2024) – Source:
<https://www.ssa.gov/oact/STATS/table4a3.html>)

Old-Age, Survivors, and Disability Insurance Trust Funds, 1957-2024

[In millions]

| Calendar year | | | Asset Reserves ^a | |
|---------------|--------------|-------------------------|-----------------------------|-------------------------------|
| | Total income | Total cost ^a | Net change during year | Asset Reserves at end of year |
| 1957 | \$8,090 | \$7,567 | \$523 | \$23,042 |
| 1958 | 9,108 | 8,907 | 201 | 23,243 |
| 1959 | 9,516 | 10,793 | -1,277 | 21,966 |
| 1960 | 12,445 | 11,798 | 647 | 22,613 |
| 1961 | 12,937 | 13,388 | -451 | 22,162 |
| 1962 | 13,699 | 15,156 | -1,457 | 20,705 |
| 1963 | 16,227 | 16,217 | 10 | 20,715 |
| 1964 | 17,476 | 17,020 | 456 | 21,172 |
| 1965 | 17,857 | 19,187 | -1,331 | 19,841 |
| 1966 | 23,381 | 20,913 | 2,467 | 22,308 |
| 1967 | 26,413 | 22,471 | 3,942 | 26,250 |
| 1968 | 28,493 | 26,015 | 2,479 | 28,729 |
| 1969 | 33,346 | 27,892 | 5,453 | 34,182 |
| 1970 | 36,993 | 33,108 | 3,886 | 38,068 |

| | | | Asset Reserves ^a | |
|---------------|--------------|-------------------------|-----------------------------|-------------------------------|
| Calendar year | Total income | Total cost ^a | Net change during year | Asset Reserves at end of year |
| 1971 | 40,908 | 38,542 | 2,366 | 40,434 |
| 1972 | 45,622 | 43,281 | 2,341 | 42,775 |
| 1973 | 54,787 | 53,148 | 1,639 | 44,414 |
| 1974 | 62,066 | 60,593 | 1,472 | 45,886 |
| 1975 | 67,640 | 69,184 | -1,544 | 44,342 |
| 1976 | 75,034 | 78,242 | -3,209 | 41,133 |
| 1977 | 81,982 | 87,254 | -5,272 | 35,861 |
| 1978 | 91,903 | 96,018 | -4,115 | 31,746 |
| 1979 | 105,864 | 107,320 | -1,456 | 30,291 |
| 1980 | 119,712 | 123,550 | -3,838 | 26,453 |
| 1981 | 142,438 | 144,352 | -1,914 | 24,539 |
| 1982 | 147,913 | 160,111 | 239 | 24,778 |
| 1983 | 171,266 | 171,177 | 89 | 24,867 |
| 1984 | 186,637 | 180,429 | 6,208 | 31,075 |
| 1985 | 203,540 | 190,628 | 11,088 | 42,163 |
| 1986 | 216,833 | 201,522 | 4,698 | 46,861 |
| 1987 | 231,039 | 209,093 | 21,946 | 68,807 |
| 1988 | 263,469 | 222,514 | 40,955 | 109,762 |
| 1989 | 289,448 | 236,242 | 53,206 | 162,968 |
| 1990 | 315,443 | 253,135 | 62,309 | 225,277 |
| 1991 | 329,676 | 274,205 | 55,471 | 280,747 |

| | | | Asset Reserves ^a | |
|---------------|--------------|-------------------------|-----------------------------|-------------------------------|
| Calendar year | Total income | Total cost ^a | Net change during year | Asset Reserves at end of year |
| 1992 | 342,591 | 291,865 | 50,726 | 331,473 |
| 1993 | 355,578 | 308,766 | 46,812 | 378,285 |
| 1994 | 381,111 | 323,011 | 58,100 | 436,385 |
| 1995 | 399,497 | 339,815 | 59,683 | 496,068 |
| 1996 | 424,451 | 353,569 | 70,883 | 566,950 |
| 1997 | 457,668 | 369,108 | 88,560 | 655,510 |
| 1998 | 489,204 | 382,255 | 106,950 | 762,460 |
| 1999 | 526,582 | 392,908 | 133,673 | 896,133 |
| 2000 | 568,433 | 415,121 | 153,312 | 1,049,445 |
| 2001 | 602,003 | 438,916 | 163,088 | 1,212,533 |
| 2002 | 627,085 | 461,653 | 165,432 | 1,377,965 |
| 2003 | 631,886 | 479,086 | 152,799 | 1,530,764 |
| 2004 | 657,718 | 501,643 | 156,075 | 1,686,839 |
| 2005 | 701,758 | 529,938 | 171,821 | 1,858,660 |
| 2006 | 744,873 | 555,421 | 189,452 | 2,048,112 |
| 2007 | 784,889 | 594,501 | 190,388 | 2,238,500 |
| 2008 | 805,302 | 625,143 | 180,159 | 2,418,658 |
| 2009 | 807,490 | 685,801 | 121,689 | 2,540,348 |
| 2010 | 781,128 | 712,526 | 68,602 | 2,608,950 |
| 2011 | 805,057 | 736,083 | 68,975 | 2,677,925 |
| 2012 | 840,190 | 785,781 | 54,409 | 2,732,334 |

| | | | Asset Reserves ^a | |
|---------------|--------------|-------------------------|-----------------------------|-------------------------------|
| Calendar year | Total income | Total cost ^a | Net change during year | Asset Reserves at end of year |
| 2013 | 855,021 | 822,925 | 32,096 | 2,764,431 |
| 2014 | 884,276 | 859,230 | 25,046 | 2,789,476 |
| 2015 | 920,157 | 897,123 | 23,034 | 2,812,510 |
| 2016 | 957,453 | 922,276 | 35,177 | 2,847,687 |
| 2017 | 996,581 | 952,478 | 44,103 | 2,891,789 |
| 2018 | 1,003,373 | 1,000,233 | 3,140 | 2,894,929 |
| 2019 | 1,061,775 | 1,059,299 | 2,476 | 2,897,405 |
| 2020 | 1,118,096 | 1,107,214 | 10,881 | 2,908,286 |
| 2021 | 1,088,326 | 1,144,582 | -56,256 | 2,852,030 |
| 2022 | 1,221,782 | 1,243,925 | -22,143 | 2,829,887 |
| 2023 | 1,350,686 | 1,392,110 | -41,424 | 2,788,463 |
| 2024 | 1,417,757 | 1,484,753 | -66,997 | 2,721,466 |

^a Beginning in 1979, benefit payments scheduled to be paid on January 3 of a given year were paid on December 31 of the preceding year as required by the statutory provision included in the 1977 Social Security Amendments for early delivery of benefit payments when the normal payment delivery date is a Saturday, Sunday, or legal public holiday. Such advance payments have occurred about every 7 years, first for benefits scheduled for January 3, 1982. For comparability with other historical years, all trust fund operations and asset reserves reflect the 12 months of benefits scheduled for payment in each year.

Note: The annual net increase in the funds is the change in the asset reserves from the end of one year to the end of the next. In 1982, the Old-Age and Survivors Insurance (OASI) Trust Fund borrowed money from the Hospital Insurance Trust Fund, and repaid the borrowed amounts in 1985 and 1986. For each of these years, the net increase in the funds is equal to total income less total cost, plus amounts borrowed or less amounts repaid. Asset reserves, except for relatively small cash amounts, are invested in Federal Government securities. For trust fund data prior to 1957, see OASI data (the Disability Trust Fund was established in 1957).