

Table 4 shows CBO’s estimates for tax year 2014 of the number of Social Security beneficiaries and of the number and share of beneficiaries affected by the taxation of Social Security benefits, by level of income. The percentage of Social Security beneficiaries affected increases sharply with income.

Table 4. Projected Number and Percentage of Beneficiaries with Taxable Social Security Benefits by Income Class, 2014

Income Class	Number of Social Security Beneficiaries (millions)	Number of Beneficiaries Affected by Taxation (millions)	Percentage of Beneficiaries Affected by Taxation
Less than \$10,000	3.5	a	a
\$10,000 - \$15,000	4.6	a	a
\$15,000 - \$20,000	4.4	a	a
\$20,000 - \$25,000	3.3	a	a
\$25,000 - \$30,000	3.0	0.1	2%
\$30,000 - \$40,000	5.6	1.5	26%
\$40,000 - \$50,000	4.5	2.6	57%
\$50,000 - \$100,000	14.6	13.4	92%
Over \$100,000	8.0	7.9	99%
Total	51.5	25.5	49%

Source: Congressional Budget Office simulations based on Statistics of Income data from the Internal Revenue Service, supplemented by data from the Current Population Survey.

Notes: Income is defined as adjusted gross income plus statutory adjustments, tax-exempt interest, and nontaxable Social Security benefits. Number of Social Security beneficiaries includes beneficiaries under and over the age of 65.

a. Less than 50,000 people or less than 0.5%.

Table 5 shows how the share of benefits that are taxes increases with income.