

<https://smartasset.com/retirement/social-security-tax-limit>

You aren't required to pay the Social Security tax on any income beyond the Social Security wage base limit. In 2024, this limit rises to \$168,600, up from the 2023 limit of \$160,200. As a result, in 2024 you'll pay no more than \$10,453 ( $\$168,600 \times 6.2\%$ ) in Social Security taxes. Mar 4, 2024

How much do millionaires pay into Social Security?

"Ninety-four percent of Americans contribute to Social Security all year long, but the wealthy stop paying after their first \$168,600 in wage income, and they don't pay in at all on their unearned investment income," Larson and Social Security Works president Nancy Altman wrote in an op-ed for Data for Progress on ... Feb 29, 2024

This is how much millionaire workers get from Social Security. An income of \$1 million a year amounts to a monthly payment of about \$83,333.33. Retirement benefits are generally designed to replace about 40% of pre-retirement income. Apr 17, 2024

The most you will have to pay in Social Security taxes for 2024 will be \$10,453. That's what you will pay if you earn \$168,600 or more. As its name suggests, the [Social Security](#) tax goes to the Social Security program. For 2024, it amounts to 6.2% for employees on all income up to \$168,600. Employers deduct the tax from paychecks and match it, so that 12.4% goes to the program for each employee. If you're [self-employed](#), you'll pay the full 12.4%, though you can deduct half on your tax return.

## 60 Days into 2024 and Millionaires are Already Done Paying into Social Security

February 29, 2024

### In The News

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**Common Dreams: 60 Days into 2024 and Millionaires are Already Done Paying into ...**

Most Americans contribute to Social Security year-round, but U.S. millionaires will stop paying into the critical program on **March 2**—just over two months into 2024.

That's because Social Security's payroll tax doesn't apply to earned income above a certain level. For 2024, the cut-off is \$168,600, and capital gains—such as stock appreciation—are **not subject** to the payroll levy at all. Elon Musk, the CEO of Tesla and the world's richest man, pays nothing into Social Security **because he doesn't take a salary**.

Emma Curchin, domestic outreach and research assistant at the Center for Economic and Policy Research (CEPR), **noted** Thursday that with the \$168,600 payroll tax cap in place, a millionaire's effective Social Security tax rate "is less than 1%."

"This is compared to the 6.2% that any worker making less than \$168,600 pays," Curchin wrote. "The burden of paying for Social Security rests on working class people in this country."

CEPR on Thursday released a **calculator** that allows users to see when people with certain annual incomes stop contributing to Social Security, which **keeps more people out of poverty** in the U.S. than any other program.

The calculator shows that a CEO with a \$20 million annual salary stopped paying into Social Security just three days into 2024—and contributed just as much to the program for the year as someone who makes \$168,600.

The tool was released as a **new survey** by Data for Progress showed that 71% of likely U.S. voters want Congress to guarantee Social Security's solvency "by increasing taxes on wealthy Americans" rather than by cutting benefits.

Progressive lawmakers have **long supported** lifting the Social Security payroll tax cap to force rich Americans to contribute more to the program.

Rep. John Larson's (D-Conn.) **Social Security 2100 Act**, for example, would expand the program's benefits by applying the payroll tax to annual earnings above \$400,000.

"Ninety-four percent of Americans contribute to Social Security **all year long**, but the wealthy stop paying after their first \$168,600 in wage income, and they don't pay in at all on their unearned investment income," Larson and **Social Security Works** president Nancy Altman wrote in an **op-ed** for Data for Progress on Thursday.

"The best part about the Social Security 2100 Act? There's no need for a closed-door commission to pass it into law, because it's what the American people want to do," they added.

**Issues: In the News: Social Security 2100 Act**

According to the U.S. Bureau of Labor, the average U.S. annual salary in Q4 of 2023 was \$59,384. This is up 5.4% from the same time period in 2022 when the average American was making \$56,316 per year. Average weekly earnings reached \$1,142, while the average American made \$4,949 per month in Q4 of 2023.Apr 3, 2024

[Average Salary in the U.S. in 2024 - USA Today](#)