

**G-34 (1-04)**

**RAILROAD RETIREMENT BOARD  
REMINDERS FOR 2004**

**2004 TIER I EARNINGS BASE AND TAX RATE**

\$87,900 - Annual Maximum  
6.20% - Employee and Employer Tax Rate  
\$5,449.80 - Maximum Employee and Employer Tax

**2004 TIER II EARNINGS BASE AND TAX RATES**

\$65,100 - Annual Maximum  
4.90% - Employee Tax Rate  
\$3,189.90 - Maximum Employee Tax  
13.10% - Employer Tax Rate  
\$8,528.10 - Maximum Employer Tax

**2004 MEDICARE HOSPITAL INSURANCE EARNINGS  
BASE AND TAX RATE**

Annual Maximum - No Limit  
1.45% - Employee and Employer Tax Rate

**TOTAL TIER I, TIER II, & MEDICARE HOSPITAL  
INSURANCE MAXIMUM TAX**

Based on Earnings of \$87,900

Employees - \$ 9,914.25  
Employers - \$15,252.45  
(Additional Taxes are 1.45% of Earnings in  
Excess of \$87,900)

**AMOUNT NEEDED FOR QUARTER OF  
SOCIAL SECURITY COVERAGE**

\$900.00 in 2004 (Up to 4)

**2004 EMPLOYER RUIA TAX RATE**

2.15% - 12% on First \$1130 Per Month

**EMPLOYEE RUIA 2003 QUALIFYING EARNINGS**

\$2,800.00 - For Benefit Year 2004 (Beginning July 1, 2004)

**RUIA DAILY BENEFIT RATE**

For Benefit Year 2004 (Beginning July 1, 2004) - \$56

**WORK DEDUCTION EXEMPT AMOUNTS**

Full retirement age (FRA)  
(for months prior to FRA in the calendar year):  
Annual - \$31,080; Monthly-\$2,590  
(\$1 Deduction for Each \$3 of Excess Earnings)

Under FRA: Annual - \$11,640; Monthly-\$970  
(\$1 Deduction for Each \$2 of Excess Earnings)

**BASIC MEDICARE PREMIUM**

\$66.60

**COST-OF-LIVING INCREASE, DECEMBER 2003**

Tier I - 2.1%  
Tier II - 0.7%