

Section A -- Financial Statistics

The tables in this section generally present data on financial operations under the Railroad Retirement and Railroad Unemployment Insurance Acts for fiscal year 2020 and for varying numbers of prior years.

The main source of financing the railroad retirement program is a payroll tax paid by employers and employees. Railroad retirement taxes and benefits are paid on a two-tier basis. Employers and employees pay tier I taxes at the same rate as social security taxes, subject to the prevailing social security taxable maximum. Tier II taxes finance benefits payable over and above social security levels, but earnings subject to the tax are restricted to the social security taxable maximums which would have been applicable under continuation of pre-1977 social security law. Both employers and employees pay tier II taxes, but at different rates.

In calendar years 2019 and 2020, a tier I tax rate of 7.65 percent for employers and employees applied to compensation up to \$132,900 and \$137,700 per year, respectively. The tier I rates include taxes that finance the hospital insurance portion of Medicare; that tax rate for both employers and employees was 1.45 percent for 2019 and 2020. There is no limit to earnings subject to the hospital insurance portion of the tier I tax rate. Beginning in 2013, employees pay an additional 0.9 percent on earnings above \$200,000 (for those who file an individual return) or \$250,000 (for those who file a joint return).

The tier II tax rate is determined annually from a tax rate schedule based on the average account benefits ratio. The average account benefits ratio is the average for the 10 fiscal years preceding the calendar year of the ratio of the fair market value of the assets in the Railroad Retirement Account and the National Railroad Retirement Investment Trust (and for years before 2002, the Social Security Equivalent Benefit Account) as of the close of each fiscal year to the total benefits and administrative expenses paid from those accounts during the fiscal year. Employer tax rates can range from 8.2 percent to 22.1 percent. Employee tax rates can range from 0 percent to 4.9 percent. In calendar years 2019 and 2020, the tier II tax rates paid by employers and employees were 13.1 percent and 4.9 percent, respectively, and were levied on annual earnings up to \$98,700 in 2019 and \$102,300 in 2020.

Additional income is derived from Federal income taxes on tier I, tier II and vested dual benefits, from interest on invested funds and from the financial interchange with the social security system. The experience under the latter arrangement is presented in table A3. Under this arrangement, the social security trust funds are, in effect, credited with the additional payroll and income taxes they would have received, and charged with the additional benefits and administrative costs they would have paid if railroad employment had been covered under the social security program, with allowances for interest. Financial interchange determinations are made jointly by the Railroad Retirement Board, the Social Security Administration, and the Centers for Medicare & Medicaid Services on an annual basis. Separate determinations are made with respect to the Old-Age and Survivors Insurance, Disability Insurance, and Hospital Insurance Trust Funds.

The railroad unemployment and sickness benefit programs are financed by contributions from railroad employers, based on a percentage of their employees' taxable earnings. The taxable earnings base for those programs was the first \$1,605 in 2019 and \$1,655 in 2020 of each employee's monthly earnings. Beginning in 1991, each employer's contribution rate is experience based.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, enacted March 27, 2020, authorized payment of special extended unemployment benefits, enhanced unemployment benefits to those that received regular unemployment benefits between July 1, 2019 and June 30, 2020, and waived the waiting period for unemployment and sickness benefits. Special extended unemployment benefits, authorized under the CARES Act, were financed by the remaining funds originally allocated to the Railroad Retirement Board by the American Recovery and Reinvestment Act of 2009 and the Worker, Homeownership, and Business Assistance Act of 2009. Under the CARES Act enhanced unemployment benefits were funded by an appropriation of \$425,000,000 and waiting period waiver benefits were funded by an appropriation of \$50,000,000.

Fiscal years begin October 1 of the prior calendar year and end September 30.

In the tables, detailed figures may not add to totals shown because of rounding.

Table A1.--Beneficiaries and benefits paid under the Railroad Retirement Act and the Railroad Unemployment Insurance Act, by fiscal year, 2011-2020, cash basis

Fiscal year	Total ¹	Retirement ²	Survivor ²	Unemployment ³	Sickness ³
BENEFICIARIES (in thousands)					
2011.....	603	429	156	11	18
2012.....	595	429	150	10	17
2013.....	592	429	146	11	16
2014.....	585	428	141	10	16
2015.....	581	428	136	9	16
2016.....	583	428	131	17	17
2017.....	574	427	127	12	16
2018.....	563	423	123	9	16
2019.....	557	422	119	9	15
2020.....	⁴ 568	418	116	26	18
BENEFIT PAYMENTS (in millions)					
2011.....	\$11,072.7	\$8,778.5	\$2,165.3	⁵ \$52.1	\$76.9
2012.....	11,446.3	9,155.4	2,171.7	⁵ 46.2	73.0
2013.....	11,748.1	9,456.5	2,175.5	⁵ 51.5	64.6
2014.....	11,998.3	9,724.9	2,167.2	⁵ 40.8	65.4
2015.....	12,273.2	10,012.2	2,156.9	36.7	67.4
2016.....	12,497.4	10,202.4	2,139.2	80.2	75.6
2017.....	12,593.3	10,341.4	2,121.9	53.8	76.3
2018.....	12,803.5	10,567.2	2,118.8	40.7	76.8
2019.....	13,077.9	10,836.8	2,125.0	42.3	73.8
2020.....	13,470.3	10,975.4	2,131.4	⁶ 282.3	⁶ 81.2

¹ Beneficiaries and benefit payments include partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Benefit payments also include a small amount of payments for hospital insurance benefits for services in Canada. The number of beneficiaries represents all individuals paid benefits in year. In the total number for each year, beneficiaries are counted only once, even though they may have received more than one type of benefit.

² Retirement benefits include vested dual benefit and supplemental annuity payments. Survivor benefits include vested dual benefit payments but exclude partition payments.

³ In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 9.2% under sequestration for days of unemployment and sickness after February 28, 2013, 7.2% for days after September 30, 2013, 7.3% for days after September 30, 2014, 6.8% for days after September 30, 2015, 6.9% for days after September 30, 2016, 6.6% for days after September 30, 2017, 6.2% for days after September 30, 2018, and 5.9% for days after September 30, 2019.

⁴ In fiscal year 2020, 7,100 individuals received both retirement and survivor benefits, 1,800 employees received both unemployment and sickness benefits, and 1,300 employees received benefits under both the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

⁵ Includes temporary extended unemployment benefits under the American Recovery and Reinvestment Act of 2009 and Worker, Homeownership, and Business Assistance Act of 2009, as amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, the Temporary Payroll Tax Cut Continuation Act of 2011, the Middle Class Tax Relief and Job Creation Act of 2012, and the American Taxpayer Relief Act of 2012. Benefits had to begin by December 31, 2013.

⁶ Starting in May 2020, includes temporary waiting period waiver benefits, extended unemployment benefits, and enhanced unemployment benefits authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. Gross unemployment benefits for these temporary payments were \$151.2 million, and gross sickness benefits were \$1.7 million for Fiscal Year 2020.

NOTE.-- In Statistical Tables through 2018, information in this table, with respect to unemployment and sickness benefits paid, was reported on a net basis. Beginning with the 2019 report, these amounts are shown on a gross basis.

Table A2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2011-2020 (In millions), cash basis

Item	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
RAILROAD RETIREMENT ACCOUNT										
Receipts										
Tax transfers ¹	\$2,712.7	\$2,659.8	\$3,140.2	\$3,392.2	\$3,760.8	\$3,586.7	\$3,562.9	\$3,822.9	\$3,730.4	\$3,120.0
Interest and profit on investments ²	12.3	11.4	9.0	14.0	17.2	16.8	16.4	15.8	11.0	(18.6)
Transfers from the National RR Investment Trust ³	1,744.0	2,026.0	1,581.0	1,429.0	1,191.0	1,410.0	1,821.0	1,809.0	1,794.0	2,280.0
Transfers from the SSEB Account ³	255.0	19.0	171.0	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)
Loan repayments from RUI Account ⁴	48.4	.....	.....	.....	.....	.....	.....	.....	.....	.....
Loan repayments from DBP Account ⁴.....	.....	.....	.....	4.5	.....	.....	.....	.....	.....	.....
Expenditures										
Benefit payments ⁵	\$4,600.3	\$4,775.0	\$4,906.2	\$5,044.0	\$5,106.8	\$5,229.0	\$5,321.4	\$5,446.1	\$5,548.2	\$5,591.5
Financial Interchange adjustment ⁶	(88.5)	(141.9)	(166.6)	(164.0)	(162.3)	(146.5)	.....	.....	.....	.....
Net transfers to administration.....	73.6	69.6	70.2	69.3	72.1	72.3	76.7	85.7	84.1	88.4
Loans to RUI Account.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	22.0
Loans to DBP Account ⁷.....	.....	.....	.....	4.5	.....	.....	.....	.....	.....	.....
SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT ⁸										
Receipts										
Tax transfers ¹	\$2,675.3	\$2,878.5	\$2,954.1	\$3,163.1	\$3,389.3	\$3,097.5	\$3,113.8	\$3,267.3	\$3,129.8	\$2,594.0
Interest and profit on investments ²	21.9	20.1	22.4	21.9	24.3	18.6	14.9	24.4	23.4	(9.4)
Transfers under financial interchange ⁹	4,574.3	4,651.0	4,499.0	4,700.8	4,676.6	4,662.7	4,522.5	4,942.4	4,946.4	4,987.7
Advances against financial interchange ¹⁰	3,820.4	3,738.6	3,943.0	3,886.1	3,849.9	3,926.1	4,095.4	4,109.1	4,306.4	4,793.0
Expenditures										
Benefit payments.....	\$6,291.1	\$6,506.7	\$6,686.9	\$6,815.2	\$7,035.4	\$7,090.4	\$7,124.5	\$7,226.7	\$7,403.8	\$7,509.8
Financial Interchange adjustment ⁶	88.5	141.9	166.6	164.0	162.3	146.5	.....	.....	.....	.....
Net transfers to administration.....	29.6	31.4	30.1	32.3	32.9	30.0	30.5	29.8	33.4	29.4
Transfers under financial interchange ⁹	477.2	510.9	576.6	611.6	594.7	656.8	637.4	596.5	570.3	606.4
Repayment of advances against financial interchange ⁴	3,946.6	3,946.3	3,863.1	4,041.9	3,982.7	3,940.1	4,054.5	4,194.3	4,202.4	4,458.2
Transfers to the National RR Investment Trust/RR Account ³	255.0	19.0	171.0	93.0	129.0	.....	(296.0)	91.0	191.0	(83.0)

See footnotes at end of table.

Table A2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2011-2020 (In millions), cash basis - Continued

Item	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST ¹¹										
Cash and investment balance at end of period ¹²	\$22,119.0	\$23,586.2	\$24,963.7	\$26,039.9	\$24,483.9	\$25,007.7	\$26,389.6	\$26,468.7	\$25,332.4	\$24,468.6
DUAL BENEFITS PAYMENTS ACCOUNT ¹³										
Loans from Railroad Retirement Account ⁷ .....	.....	.....	.....	\$4.5	.....	.....	.....	.....	.....	.....
Benefit payments	\$55.2	\$48.6	\$42.6	37.2	\$31.9	\$27.5	\$23.6	\$20.2	\$17.1	\$14.0
Repayment of loans from Railroad Retirement Account ⁴ .....	.....	.....	.....	4.5	.....	.....	.....	.....	.....	.....

¹ Net of U.S. Treasury adjustments for payroll tax refunds to certain carriers and their employees for prior periods. Includes Federal income tax transfers under section 72(r) of the Internal Revenue Code as amended. In calendar years 2011-2012, Social Security Equivalent Benefit Account includes general revenue transfers under the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 and the Middle Class Tax Relief and Job Creation Act of 2012, respectively. The final reconciliation for calendar years 2011-2012 occurred in June 2015. In fiscal year 2012, Social Security Equivalent Benefit Account includes a one-time general revenue transfer under the Hiring Incentives to Restore Employment Act of 2010.

² Net of interest on U.S. Treasury adjustments for payroll tax refunds (see footnote 1).

³ Under the Railroad Retirement and Survivors' Improvement Act of 2001, as amended, the portion of the Railroad Retirement Account not needed to pay current administrative expenses is to be transferred to the National Railroad Retirement Investment Trust (Trust). The Trust may transfer funds back to the Railroad Retirement Account for payment of benefits. The balance of the Social Security Equivalent Benefit (SSEB) Account not needed to pay current benefits and administrative expenses is to be transferred to the Trust or to the Railroad Retirement Account. The SSEB Account transferred funds to the Trust in fiscal year 2003 and to the Railroad Retirement Account thereafter. In fiscal years 2017 and 2020, the Railroad Retirement Account transferred funds to the SSEB Account to pay benefits. In fiscal years 2018 and 2019, the SSEB Account transferred funds not needed to pay current benefits and administrative expenses to the Railroad Retirement Account.

⁴ Includes interest.

⁵ Effective January 1, 2002, supplemental benefits are paid from the Railroad Retirement Account.

⁶ Adjustments in benefit payments charged to the Social Security Equivalent Benefit Account as compared to actual financial interchange benefits, with interest. This adjustment was discontinued in fiscal year 2017.

⁷ Due to delay in enactment of a continuing resolution, the Dual Benefits Payments Account borrowed \$4,500,000 from the Railroad Retirement Account in October 2013 in order to pay vested dual benefits. The loan was repaid in entirety in December 2013.

⁸ Established October 1, 1984, to keep track of the financing and payment of social security level portions of railroad retirement benefits.

⁹ Transfers to or from OASDHI Trust Funds under section 7(c)(2) of the 1974 Railroad Retirement Act.

¹⁰ Advances, including interest, from U.S. Treasury to offset lag in receipt of financial interchange funds under section 7(c)(4) of the 1974 Railroad Retirement Act as amended.

¹¹ Established February 1, 2002, for investment of railroad retirement assets.

¹² Source: National Railroad Retirement Investment Trust.

¹³ Established October 1, 1981, to keep track of the financing and payment of vested dual benefits.

NOTE.--This Table has been revised to only include information from the U.S. Department of the Treasury's Monthly Treasury Statements and other resources within the U.S. Railroad Retirement Board's Bureau of the Actuary and Research.

Table A3.--Status of the financial interchange between the Railroad Retirement Accounts and the Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds, by fiscal year, 2011-2020, cash basis (In millions)

Fiscal year	Taxes ¹	Benefit payments and administrative expenses ²	Amount due as of end of year to or (from) the Railroad Retirement Accounts ³	Transferred to or (from) the Railroad Retirement Accounts ⁴
OLD-AGE AND SURVIVORS INSURANCE				
2011.....	\$1,847.2	\$5,778.3	\$4,056.7	\$4,109.5
2012.....	2,127.0	⁵ 5,896.1	3,879.8	4,139.2
2013.....	2,106.4	6,199.5	4,190.3	3,948.4
2014.....	2,232.4	6,320.4	4,191.2	4,257.1
2015.....	2,385.2	6,511.6	4,222.9	4,258.0
2016.....	2,225.4	⁶ 6,388.4	4,251.6	4,286.9
2017.....	2,121.3	6,717.3	4,697.4	4,315.8
2018.....	2,250.4	6,955.3	4,803.5	4,768.9
2019.....	2,268.7	6,975.0	4,763.7	4,880.4
2020.....	.....	.....	.....	4,844.0
Cumulative 1937-2020.....	\$75,177.9	\$219,825.8	.....	\$155,219.4
DISABILITY INSURANCE				
2011.....	\$296.1	\$745.8	\$501.6	\$464.7
2012.....	315.5	⁷ 818.7	541.0	511.8
2013.....	327.0	739.6	436.7	550.6
2014.....	342.9	732.7	412.0	443.7
2015.....	362.4	715.1	370.1	418.6
2016.....	428.9	⁸ 625.4	203.6	375.7
2017.....	441.6	601.4	170.9	206.7
2018.....	464.2	506.4	65.0	173.5
2019.....	374.9	512.8	141.4	66.0
2020.....	.....	.....	.....	143.8
Cumulative 1937-2020.....	\$10,771.4	\$18,091.5	.....	\$8,151.2

See footnotes at end of table.

Table A3.--Status of the financial interchange between the Railroad Retirement Accounts and the Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds, by fiscal year, 2011-2020, cash basis (In millions) - Continued

Fiscal year	Taxes ¹	Benefit payments and administrative expenses ²	Amount due as of end of year to or (from) the Railroad Retirement Accounts ³	Transferred to or (from) the Railroad Retirement Accounts ⁴
HOSPITAL INSURANCE				
2011.....	\$488.3	\$4.4	(\$500.7)	(\$477.2)
2012.....	551.0	3.6	(566.6)	(510.9)
2013.....	584.1	3.4	(602.0)	(576.6)
2014.....	566.6	1.8	(585.4)	(611.6)
2015.....	627.3	2.5	(647.0)	(594.7)
2016.....	608.9	2.5	(627.9)	(656.8)
2017.....	574.0	3.1	(587.6)	(637.4)
2018.....	611.4	1.8	(561.3)	(596.5)
2019.....	585.1	2.2	(596.4)	(570.3)
2020.....	.....	.....	.....	(606.4)
Cumulative 1937-2020.....	\$18,427.9	\$111.6	.....	(\$19,718.4)

¹ Beginning fiscal year 1984, Old-Age and Survivors Insurance and Disability Insurance includes Federal income taxes. Hospital Insurance income taxes included beginning fiscal year 1994.

² Cumulative for Old-Age and Survivors Insurance and Disability Insurance is net of pre-1957 military service adjustments. For Hospital Insurance, administrative expenses only.

³ Includes interest at rate applicable to each trust fund.

⁴ Represents transfer of amount due at end of preceding year with interest from due date to date of transfer.

⁵ Includes -\$154.8 million adjustment for pre-1957 military service.

⁶ Includes -\$228.9 million adjustment for pre-1957 military service.

⁷ Includes +\$74.5 million adjustment for pre-1957 military service.

⁸ Includes -\$0.7 million adjustment for pre-1957 military service.

NOTE.--Under the financial interchange provision of the Railroad Retirement Act, the Railroad Retirement Board, the Commissioner of Social Security, and the Secretary of Health and Human Services make annual determinations of the amounts which would place the Federal Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds in the same position in which they would have been had railroad employment been covered by the Social Security and Federal Insurance Contributions Acts. Transfers are to or from the Railroad Retirement Account in all years through fiscal year 1984; beginning fiscal year 1985, transfers are to or from the Social Security Equivalent Benefit Account. All figures are net after adjustment for changes in prior years.

Table A6.--Retirement, survivor, unemployment, and sickness benefit payments, by class of benefit and state of residence of beneficiary, fiscal year 2020 (In thousands), cash basis

State	Total	Retirement benefits	Survivor ¹ benefits	Unemployment ^{2, 3, 4} benefits	Sickness ^{2, 3, 4} benefits
Alabama	\$242,547	\$195,371	\$41,718	\$3,945	\$1,513
Alaska	4,573	2,938	719	881	35
Arizona	257,688	210,649	40,379	5,618	1,042
Arkansas	261,436	210,013	38,298	11,174	1,952
California	619,416	495,461	102,373	15,844	5,738
Colorado	233,213	198,530	29,382	4,629	672
Connecticut	73,829	62,022	10,976	336	496
Delaware	69,032	60,162	7,782	489	599
Washington DC	7,795	6,771	874	95	56
Florida	751,408	635,565	108,202	5,793	1,849
Georgia	450,565	370,140	67,604	9,400	3,421
Hawaii	3,463	2,882	567	12	3
Idaho	121,083	100,600	17,692	2,335	456
Illinois	811,186	651,998	129,518	23,198	6,473
Indiana	392,194	313,223	66,319	9,127	3,525
Iowa	234,486	192,232	36,309	4,949	996
Kansas	358,713	297,315	53,676	6,541	1,181
Kentucky	343,925	273,176	62,112	6,454	2,182
Louisiana	189,542	149,811	31,273	6,985	1,473
Maine	50,523	40,501	9,782	65	176
Maryland	213,347	178,491	31,420	1,915	1,520
Massachusetts	96,265	80,670	13,667	664	1,264
Michigan	312,854	249,676	56,491	5,213	1,474
Minnesota	335,098	275,055	52,691	6,174	1,178
Mississippi	138,909	109,522	25,517	3,212	658
Missouri	490,628	399,213	72,138	16,838	2,438
Montana	164,051	135,674	21,838	5,971	568
Nebraska	451,139	388,278	48,416	11,205	3,241
Nevada	81,415	67,505	12,320	1,341	248
New Hampshire	22,346	18,692	3,464	88	101

See footnotes at end of table.

Table A6.--Retirement, survivor, unemployment, and sickness benefit payments, by class of benefit and state of residence of beneficiary, fiscal year 2020 (In thousands), cash basis - Continued

State	Total	Retirement benefits	Survivor ¹ benefits	Unemployment ^{2, 3, 4} benefits	Sickness ^{2, 3, 4} benefits
New Jersey	\$237,436	\$197,419	\$35,166	\$1,761	\$3,091
New Mexico	103,418	82,614	17,543	2,712	549
New York	537,737	448,904	80,844	4,445	3,545
North Carolina	239,098	193,888	41,464	2,587	1,160
North Dakota	88,218	70,953	13,640	3,331	294
Ohio	551,212	426,329	108,839	12,340	3,704
Oklahoma	123,427	97,586	22,176	3,119	546
Oregon	184,697	149,626	30,960	2,933	1,178
Pennsylvania	749,844	600,624	134,107	10,785	4,328
Rhode Island	15,840	13,390	2,195	106	149
South Carolina	178,572	148,046	27,578	1,856	1,093
South Dakota	49,185	41,780	5,819	1,388	198
Tennessee	310,103	252,952	49,935	5,247	1,969
Texas	950,658	771,770	143,493	30,762	4,632
Utah	129,405	107,039	20,401	1,476	489
Vermont	14,166	11,259	2,829	71	7
Virginia	396,629	322,902	65,477	5,528	2,722
Washington	268,916	215,088	46,284	6,142	1,402
West Virginia	191,021	149,066	36,553	3,956	1,446
Wisconsin	236,238	190,338	37,628	6,960	1,312
Wyoming	114,503	97,033	12,317	4,285	868
Outside United States:					
Canada ⁵	14,944	8,025	6,909	10	.....
Mexico	2,106	754	1,350	1	.....
Other	8,740	5,874	2,866	.....	.....
Total	\$13,478,786	\$10,975,393	\$2,139,894	\$282,292	\$81,208

¹ Includes partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity.

² Prior to fiscal year 2019, unemployment and sickness benefit payments were based on net amounts. Beginning in fiscal year 2019, that data is no longer available. Benefit payments now reflect gross amounts.

³ In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts reflect a reduction of 6.6% under sequestration for days of unemployment and sickness after September 30, 2017, 6.2% for days after September 30, 2018, and 5.9% for days after September 30, 2019.

⁴ Beginning in May 2020, benefits have also been paid under the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The above table reflects \$12.9 million paid in extended unemployment benefits, \$3.5 million paid in waived waiting period unemployment benefits, \$134.8 million paid in enhanced unemployment benefits, and \$1.7 million paid in waived waiting period sickness benefits during fiscal year 2020. These benefits were not sequestered.

⁵ There were no payments in fiscal year 2020 for hospital insurance benefits for services in Canada.