

Table 2: Windfall Elimination Provision Adjustments

Number of Years of Substantial Earnings*	Replacement Rate Percentage Used for the First Primary Insurance Amount Factor**
30 years or more	90%
29	85%
28	80%
27	75%
26	70%
25	65%
24	60%
23	55%
22	50%
21	45%
20 years or less	40%

*Note: The definition of “substantial earnings” has been adjusted for inflation each year. In 2024, the substantial earnings amount was \$31,275 or more (much more than the \$6,920 ($\$1,730 \times 4$) needed to earn four quarters of Social Security coverage). In the year 2000, the substantial earnings amount was \$14,175 and four quarters of coverage was \$3,120 ($\780×4). The substantial earnings amounts needed to avoid WEP were difficult to earn in a second job while it was comparatively easy to earn the amounts needed to have four quarters of coverage.

**The purpose of this chart is to lower the worker’s Social Security benefit by reducing the first 90% bend point in the PIA formula to a lower percentage, such as 40 percent for workers with less than 20 years of substantial earnings.