

Social Security Administration

§ 404.1048

organization or person under an agreement with the order. See paragraph (b) of this section if you perform services for a third party. The order must report at least \$100 a month for each active member. If the fair market value of items furnished to all members of a religious order does not vary significantly, the order may consider all members to have a uniform wage.

(b) If you perform services for a third party, the following rules apply:

(1) If you perform services for another agency of the supervising church or an associated institution, any amounts paid based on such services, whether paid directly to you or to the order, do not count on wages. Only wages figured under (a) above, are counted.

(2) If you perform services in a secular setting as an employee of a third party not affiliated or associated with the supervising church or an associated institution, any amounts paid based on such services, whether paid directly to you or to the order, count as wages paid to you by the third party. These wages are in addition to any wages counted under paragraph (a) of this section.

[55 FR 7309, Mar. 1, 1990; 55 FR 17530, Apr. 25, 1990]

§ 404.1047 Annual wage limitation.

Payments made by an employer to you as an employee in a calendar year that are more than the annual wage limitation are not wages. The annual wage limitation is:

| Calendar year | Wage limitation |
|---------------|-----------------|
| 1951-54 | \$3,600 |
| 1955-58 | 4,200 |
| 1959-65 | 4,800 |
| 1966-67 | 6,600 |
| 1968-71 | 7,800 |
| 1972 | 9,000 |
| 1973 | 10,800 |
| 1974 | 13,200 |
| 1975 | 14,100 |
| 1976 | 15,300 |
| 1977 | 16,500 |
| 1978 | 17,700 |
| 1979 | 22,900 |
| 1980 | 25,900 |
| 1981 | 29,700 |
| 1982 | 32,400 |
| 1983 | 35,700 |
| 1984 | 37,800 |
| 1985 | 39,600 |
| 1986 | 42,000 |
| 1987 | 43,800 |

| Calendar year | Wage limitation |
|---------------|-----------------|
| 1988 | 45,000 |
| 1989 | 48,000 |
| 1990 | 51,300 |
| 1991 | 53,400 |
| 1992 | 55,500 |

[52 FR 8249, Mar. 17, 1987, as amended at 57 FR 44098, Sept. 24, 1992]

§ 404.1048 Contribution and benefit base after 1992.

(a) *General.* The contribution and benefit base after 1992 is figured under the formula described in paragraph (b) of this section in any calendar year in which there is an automatic cost-of-living increase in old-age, survivors, and disability insurance benefits. For purposes of this section, the calendar year in which the contribution and benefit base is figured is called the determination year. The base figured in the determination year applies to wages paid after (and taxable years beginning after) the determination year.

(b) *Formula for figuring the contribution and benefit base.* For wages paid after (and taxable years beginning after) the determination year, the contribution and benefit base is the larger of—

(1) The contribution and benefit base in effect for the determination year; or

(2) The amount determined by—

(i) Multiplying the contribution and benefit base in effect for the determination year by the ratio of—

(A) The average of the total wages (as described in paragraph (c) of this section) reported to the Secretary of the Treasury for the calendar year before the determination year to

(B) The average of the total wages reported to the Secretary of the Treasury for the calendar year before the most recent calendar year in which an increase in the contribution and benefit base was enacted or a determination under this section resulting in an increase of the base was made; and

(ii) Rounding the result of the multiplication, if not a multiple of \$300, to—

(A) The nearest multiple of \$300; or

(B) The next higher multiple of \$300 if the result is a multiple of \$150.

(c) *Average of the total wages.* The average of the total wages means the