Primary Insurance Amount

PIA definition

The "primary insurance amount" (PIA) is the benefit (before rounding down to next lower whole dollar) a person would receive if he/she elects to begin receiving retirement benefits at his/her normal retirement age. At this age, the benefit is neither reduced for early retirement nor increased for delayed retirement.

PIA formula bend points

The PIA is the sum of three separate percentages of portions of average indexed monthly earnings. The portions depend on the *year* in which a worker attains age 62, becomes disabled before age 62, or dies before attaining age 62.

For 2025 these portions are the first $1,226, the amount between $1,226 and $7,391, and the amount over $7,391. These dollar amounts are the "bend points" of the 2025 PIA formula. A table shows bend points, for years beginning with 1979, for both the PIA and maximum family benefit formulas.

PIA formula

For an individual who first becomes eligible for old-age insurance benefits or disability insurance benefits in 2025, or who dies in 2025 before becoming eligible for benefits, his/her PIA will be the sum of:

(a) 90 percent of the first $1,226 of his/her average indexed monthly earnings, plus

(b) 32 percent of his/her average indexed monthly earnings over $1,226 and through $7,391, plus

(c) 15 percent of his/her average indexed monthly earnings over $7,391.

We round this amount to the next lower multiple of $.10 if it is not already a multiple of $.10.

Determination of the PIA bend points for 2025

Amounts in formula	**Average wage indices**		**Bend points for 1979**	
	For 1977:	9,779.44	First:	$180
	For 2023:	66,621.80	Second:	$1,085
Computation of bend points for 2025	First bend point $180 times 66,621.80 divided by 9,779.44 equals $1,226.24, which rounds to $1,226		Second bend point $1,085 times 66,621.80 divided by 9,779.44 equals $7,391.49, which rounds to $7,391	