

No Tax on Social Security is a Reality



Under the One Big Beautiful Bill, the vast majority of senior citizens — 88% of all seniors who receive Social Security — will pay NO TAX on their Social Security benefits, according to a brand new analysis from the Council of Economic Advisers.

	Millions of Beneficiaries	Percent of Beneficiaries
Seniors aged 65 and over receiving Social Security income	58.5	100%
Seniors with exemptions & deductions exceeding taxable Social Security income*		
... under current law	37.2	64%
... under OBBB	51.4	88%

*Includes seniors who receive Social Security income but have no such income in their AGI.

Note: Calculations are for tax year 2026 and correspond to the version of the Senate OBBB text published on June 16, 2025. In that version, the standard deduction for 2026 was \$16,000. In the version published June 28, 2025, the 2026 standard deduction will be based on an inflation-indexed value that exceeds \$16,000.

Source: U.S. Treasury, June 24, 2025.

- ✔ A senior who files as a single taxpayer and receives the current average retirement benefit (approx. \$24,000) will see deductions that exceed their taxable Social Security income.
- ✔ Married seniors who both receive the average \$24,000 Social Security income — a total of \$48,000 in annual income — will also see deductions that exceed their taxable Social Security income.

Deductions for Seniors under the One Big Beautiful Bill

Single Senior		Married Seniors	
New senior deduction (single)	\$6,000	New senior deduction (couple)	\$12,000
Standard deduction	\$15,750	Standard deduction	\$31,500
Existing senior deduction	\$2,000	Existing senior deduction	\$3,200
Total	\$23,750	Total	\$46,700

This amounts to the largest tax break in history for America's seniors — and makes sure that after years of earning their Social Security, seniors can save more of their money.