

For Immediate Release – July 15, 2025

## As The One Big Beautiful Bill Passes, 2026 COLA Prediction Rises to 2.6%

TSCL predicts Social Security's 2026 COLA will be 2.6 percent, up from last month's prediction of 2.5 percent. The TSCL model's prediction has increased for five consecutive months amid mounting inflationary pressures.

This comes hot on the heels of Congress passing, and President Trump signing, the "One Big Beautiful Bill." The new law will provide seniors who file their taxes individually and earn less than \$75,000 with a \$6,000 tax credit, and couples who earn \$150,000 with a \$12,000 credit. Higher earners will receive reduced tax credits.

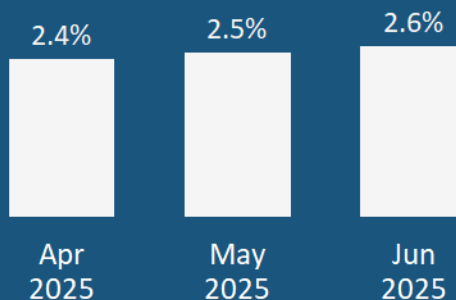
However, the One Big Beautiful Bill does not go far enough when it comes to providing relief for low-income seniors. Social Security benefits aren't counted as taxable income for about half of beneficiaries, and many seniors' incomes are too low to see any changes from a tax break.

This comes as TSCL's research has found that approximately 7.3 million American seniors get by on less than \$1,000 a month. Get the full research [here](#).

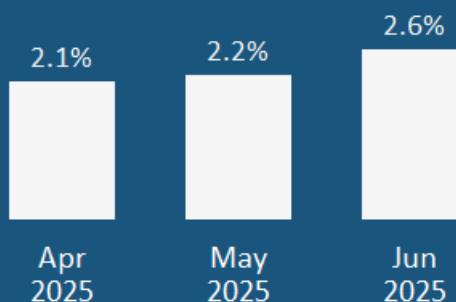
### COLA Watch

3 months until the  
2026 COLA Announcement

#### Predicted 2026 COLA



#### CPI-W Yearly Change



## Key Insights:

- **As the Big Beautiful Bill Passes, inflation continues rising.** With only three months remaining until the next COLA announcement, TSCL's model predicts that the COLA will be only 0.1 percentage points higher than the 2025 COLA of 2.5 percent.
- **Low-income seniors need additional relief.** TSCL's *2025 Senior Survey Report* found that about 13 percent of seniors get by on less than \$1,000 a month after taxes and deductions, which is less than the cost of a modest apartment in most cities. The research also found that 39 percent of beneficiaries depend on Social Security for 100 percent of their income.

## TSCL Executive Director Shannon Benton says...

- “The Big Beautiful Bill is a good start on providing financial relief for American seniors. The next priority should be providing support for the estimated 7.3 million American seniors who are living on less than \$1,000 per month, which is below the federal poverty line.”
- “TSCL's research shows that 93 percent of American seniors see Social Security and Medicare reform as a high priority for Congress and the President. They're calling on the administration to calculate COLAs with an index more representative of seniors' experiences and provide a one-time catchup payment to make up for historic COLA shortfalls.”

## About TSCL:

The Senior Citizens League (TSCL) is one of the nation's largest nonpartisan seniors' groups. Established in 1992 as a special project of The Retired Enlisted Association, our mission is to promote and assist our members and supporters, educate and alert senior citizens about their rights and freedoms as U.S. citizens, and protect and defend the benefits seniors have earned and paid for. TSCL consists of vocally active senior citizens concerned about the protection of their Social Security, Medicare, and veteran or military retiree benefits. To learn more, visit <https://seniorsleague.org/about-us/>.

**About the TSCL COLA Model:**

TSCL issues a new prediction of the next COLA for Social Security each month using our statistical model. The model incorporates the Consumer Price Index, the Federal Reserve interest rate, and the national unemployment rate to make its predictions. The model's predictions update throughout the year, adjusting in response to economic conditions. For additional information about the model, contact Alex Moore, TSCL's statistician, at [amoore@tsclhq.org](mailto:amoore@tsclhq.org).

We released a new version of the model, v1.2, in January 2025. The new version updates the model's use of dates, processing data according to the federal fiscal year instead of the calendar year. The new model also reduces each prediction's reliance on previous predictions made throughout the federal fiscal year.

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