



Pennsylvania Conference of Teamsters

Strength in Numbers 95,000

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LEGISLATIVE ACTION ALERT

DO BILLIONAIRES REALLY NEED TO RELY ON SOCIAL SECURITY OR MEDICARE? MAYBE NOT!

However, many Americans, such as your parents and grandparents, DO rely on it

Trump's permanent payroll tax cut would deplete Social Security funds by 2023, analysis finds

YAHOO! FINANCE© DHARA SINGH August 26, 2020

An article posted online by Yahoo Finance © explains If the payroll tax deferral becomes permanent next year — as President Donald Trump wants to do if reelected — the trust fund that pays out Social Security benefits could run out in three years without other funds to cover the shortfall, according to a new analysis.

The fund that provides disability benefits would deplete even sooner — by the second half of next year, according to the chief actuary of the Social Security Administration. Currently, the Social Security funds are estimated to run out in 2034, while the disability fund is expected to remain solvent until 2065, according to the 2020 OASDI Trustees Report.

"If this hypothetical legislation were enacted, with no alternative source of revenue to replace the elimination of payroll taxes on earned income paid on January 1, 2021 and thereafter, we estimate that Disability Insurance Trust Fund asset reserves would become permanently depleted in about the middle of calendar year 2021, with no ability to pay DI benefits thereafter," Chief Actuary Stephen Goss wrote in the letter.

"We estimate that Social Security's Old Age and Survivors Insurance Trust Fund reserves would become permanently depleted by the middle of calendar year 2023, with no ability to pay OASI benefits thereafter," Gross wrote, responding to a request from four Democratic senators asking for the analysis.

The analysis comes after the president issued an executive order earlier this month allowing some workers to temporarily defer their payroll taxes from the beginning of September until the end of the year, so they had larger paychecks during the coronavirus pandemic. Unless Congress passes legislation to forgive these deferrals, workers would owe those payroll taxes next year at tax time.

Trump signaled after signing the order that he would like to make the deferral permanent. "If I am victorious on November 3rd, I plan to forgive these taxes and make permanent cuts to the payroll tax," he said at the time. "I'm going to make them all permanent."

View Full Article at: <https://www.aol.com/article/finance/2020/08/26/trumps-permanent-payroll-tax-cut-would-deplete-social-security-funds-by-2023-analysis-finds/24600158/>

Billionaires Only Pay Social Security Taxes on \$118,500

