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September 22, 2020

The Honorable John Larson
Chairman
Subcommittee on Social Security
Ways & Means Committee
U.S. House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
Chairman
Ways & Means Committee
U.S. House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Larson and Chairman Neal:

On behalf of our 38 million members and all older Americans nationwide, AARP writes to endorse your joint resolution providing for Congressional disapproval of the Administration's payroll tax deferral as implemented by IRS rule, "Relief with Respect to Employment Tax Deadlines Applicable to Employers Affected by the Ongoing Coronavirus (COVID-19) Disease 2019 Pandemic." AARP opposes Social Security payroll tax holidays as potentially harmful to the program's long-term dedicated funding stream and benefit promise.

Social Security is the most important and successful program in our nation's history, providing critical benefits that individuals earn through a lifetime of hard work and contributions to the system. Social Security makes up the largest source of retirement income for most Americans and provides nearly all income (90 percent or more) for about 10 million seniors. It also provides important protections for spouses, survivors of deceased workers and those with disabilities. According to an August 2020 AARP survey, the American public overwhelmingly supports the program, and that support remains high across party lines and age groups. And in the midst of the economic crisis brought about by COVID-19, over half of our respondents indicated that Social Security is *even more important now* due to the pandemic.

As AARP raised in letters to Congress back in March and President Trump and Treasury Secretary Mnuchin in August, we believe suspending, reducing, or eliminating contributions to Social Security will interfere with the program's long-term funding stream. These concerns are consistent with those we addressed to President Obama in 2012, that payroll tax holidays "undermine confidence in Social Security and put at risk the program's dedicated funding stream and the hard-earned benefits of millions of Americans and their families."

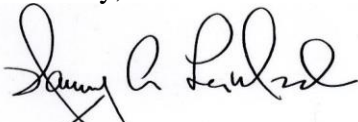
Alabama | Alaska | Arizona | Arkansas | California | Colorado | Connecticut | Delaware | District of Columbia | Florida | Georgia | Hawaii | Idaho | Illinois | Indiana | Iowa | Kansas | Kentucky | Louisiana | Maine | Maryland | Massachusetts | Michigan | Minnesota | Mississippi | Missouri | Montana | Nebraska | Nevada | New Hampshire | New Jersey | New Mexico | New York | North Carolina | North Dakota | Ohio | Oklahoma | Oregon | Pennsylvania | Puerto Rico | Rhode Island | South Carolina | South Dakota | Tennessee | Texas | Utah | Vermont | Virgin Islands | Virginia | Washington | West Virginia | Wisconsin | Wyoming

Concerns about the deferral and its implementation are also widespread among America's business community and major employers. Over 30 prominent business and trade associations, including the U.S. Chamber of Commerce and the National Association of Manufacturers, as well as Fortune 500 companies, state governments, the U.S. House of Representatives and the U.S. Senate, have all decided against deferring Social Security contributions out of concern for their employees.

This deferral, along with the President's recent statements on the permanent elimination of the Social Security payroll tax contribution, are engendering uncertainty among older Americans and the general public about Social Security and its ability to pay promised benefits. As such, AARP supports the resolution of Congressional disapproval.

While AARP appreciates the need to provide assistance to Americans struggling with the economic consequences of the pandemic, Congress and the Administration should pursue more effective approaches to providing economic relief – including for those unable to work – that do not undermine confidence in the stability of the Social Security system. If you have any questions, please feel free to contact me or have your staff contact Tom Nicholls of our Government Affairs team at tnicholls@aarp.org or 202-434-3765.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy A. LeaMond". The signature is fluid and cursive, with the first name "Nancy" and last name "LeaMond" clearly distinguishable.

Nancy A. LeaMond
Executive Vice President and
Chief Advocacy and Engagement Officer