

To: Interested Parties

From: Center for American Progress Action Fund

Re: Trump Keeps Promise to Scranton with Proposal to Defund Social Security

At a Scranton [town hall](#) in March, President Trump responded to a question on entitlement cuts with, “oh, we’ll be cutting.” Tomorrow, he is scheduled to return to the city one step closer to keeping that promise.

Trump made his intentions to defund Social Security clear this month by calling for the [termination](#) of a large portion of its dedicated funding source, payroll taxes. Because Social Security is a third rail, some journalists and experts have been inclined to dismiss the importance of Trump’s comments—and the Administration, realizing the damage they might cause, belatedly tried to [obfuscate them away](#). But Trump has been clearer about the damage he would cause to Social Security than anything he might do to protect the program. And Trump’s [statements](#) are part of a longer pattern of describing how he might cut Social Security—not to mention Social Security cuts in each of his four budgets. As a president who hasn’t shied from taking what might previously have been considered unthinkable (or politically self-destructive) actions—like attempting to end health coverage for [23 million](#) people with a lawsuit—Trump’s threats to Social Security should be taken both literally and seriously.

What Trump said on Social Security.

“At the end of the year, the assumption that I win, I’m going to terminate the payroll tax...”

-President Trump, [August 12th](#)

The proposed permanent cut is projected conservatively to drain the Social Security Trust Fund completely by [2026](#), nine years earlier than expected, putting already-retired seniors and those close to retirement at greater risk amid the uncertain financial impacts they are feeling from the ongoing coronavirus pandemic. Most seniors rely on their Social Security benefits for the majority of their income, but Trump’s defunding of Social Security would result in a [41 percent](#) or \$731 per month reduction for the average senior who retires at 65. The far-reaching impacts would hit:

- [65 million](#) current beneficiaries across the country;
- An additional [42.7 million](#) Americans between the ages of 55 and 65 looking at retiring in the coming years;
- More than 22 percent of Pennsylvania’s population, or [2.9 million](#) people, currently receiving Social Security benefits:
- An additional [1.8 million](#) Pennsylvanians between the ages of 55 and 65; and
- More than [54,000](#) beneficiaries living in Scranton and Lackawanna County.

On August 8th, Trump [announced](#) he was taking unilateral action to delay much of the payroll taxes that fund Social Security from September through December and committed to making these cuts permanent if reelected. Four days of confusion ensued after the announcement was

first made with conflicting messages from senior [White House advisers](#) and [campaign officials](#) before the president reiterated his hopes to permanently “[terminate the payroll tax](#),” while claiming the loss in funding would be covered by “tremendous growth and the general fund” - echoing his false claims that his 2017 tax cut would pay for itself.

In other words, the President touted permanently cutting the payroll tax as a major promise for a second Trump term, but said nothing in his blockbuster announcement about the impact on Social Security, repeated the promise again without saying anything about Social Security, and then finally—four days later—tried to wave away concerns with a magic asterisk. The *best* defense that can be offered of Trump’s failure to explain how he would protect a program on which 65 million people rely is carelessness. But that is no reason to underplay the risks of what Trump is proposing: after all, this is the same President whose administration has called for the courts to overturn the Affordable Care Act, without any plans to cover the [23 million](#) people who would lose coverage or protect the 135 million people with pre-existing conditions. Trump has shown a willingness to act first to get what he wants, while ignoring the devastating consequences of what happens next—even when those consequences are in plain view and seemingly disastrous. Why should his repeated claims to cut the payroll tax be treated any differently?

The executive action and more permanent proposal have been met with widespread opposition from the [AARP](#) and seniors across the country.

This is in sharp contrast to past payroll tax cuts that did result in temporary relief for workers. For instance, Congress was clear in the 2011-12 payroll tax cuts on how to protect the program with no financing gaps. Employee rates were reduced from 6.2 percent to 4.2 percent instead of completely eliminating the tax altogether and lawmakers specifically provided that the Social Security trust fund would be held harmless and not lose a dime.

The president committed to defunding Social Security publicly at least 14 times including right in Scranton.

Trump said twice this year that cuts to entitlements, Social Security being one of the largest, were on the table.

1. March 6th, Trump said at a Fox News [town hall](#) in Scranton responding to a question about cutting entitlements to deal with the deficit, “Oh, we’ll be cutting, but we’re also going to have growth like you’ve never had before. We’ve never had growth like we’re experiencing.”
2. January 22nd, Trump said during a [CNBC interview](#) responding to a question about cuts to entitlements like Social Security, “We have tremendous growth. We’re going to have tremendous growth... And at the right time, we will take a look at that. You know that’s actually the easiest of all things...”

Trump said at least eight times this year that he would permanently eliminate dedicated funding to Social Security and twice said he was open to cutting entitlements like Social Security.

August 12th, Trump said he would be permanently “terminating” the payroll tax after the beginning of the new year, saying:

3. [TRUMP](#): “On the assumption I win, we are going to be terminating the payroll tax after the beginning of the new year.”

August 10th, Trump doubled down on his plan to make the payroll tax cut permanent if he’s reelected saying:

4. [TRUMP](#): “After the election, on the assumption that it would be victorious for an administration that’s done a great job, we will be ending that tax. We will be terminating that tax.”

August 8th, Trump vowed three times to make the payroll tax cut permanent if he won reelection.

5. [TRUMP](#): “If I’m victorious on November 3rd, I plan to forgive these taxes and make permanent cuts to the payroll tax. So I’m going to make them all permanent.”
6. [TRUMP](#): “But if I win, I may extend and terminate. In other words, I’ll extend it beyond the end of the year and terminate the tax.”
7. [TRUMP](#): “And this is deferral payroll tax obligations. So this is your payroll tax obligations, which we’re going to end up terminating eventually, right?”

In April, Trump said twice that he wanted to permanently cut the payroll tax.

8. [TRUMP](#): “I would love to see a payroll tax cut. There are many people that would like to see it as a permanent tax cut—payroll tax cut.”
9. [TRUMP](#): “I mean, there are a lot of people — I’m one of them — that would have liked to have seen the payroll tax cut as a permanent cut.”

In March, Trump was privately encouraging Republican lawmakers to permanently eliminate the payroll tax cut.

10. [Wall Street Journal](#): “Following the meeting, Mr. Trump told reporters he had discussed stimulus measures with Republicans, but offered few details. Mr. Trump wants to suspend the payroll tax through Dec. 31, an administration official said, though he has also said privately he wants the tax to be permanently eliminated.”

Trump cut Social Security in ALL four of his budget proposals.

11. His most recent budget proposal for FY21 released in February called for a [\\$24 billion](#) cut over a decade.
12. The FY20 budget proposed a [\\$26 billion](#) cut to Social Security programs over ten years.
13. The FY19 budget proposed a [\\$72 billion](#) cut to Social Security programs over ten years.
14. The FY 18 budget proposed a [\\$70 billion](#) cut to Social Security over ten years.