

# THE LARSON PROPOSAL: WHAT IT MEANS FOR YOU

*FOR ALL CURRENT BENEFICIARIES*

- Tax cut for those who pay taxes on their Social Security benefits.
- \$300 more per year for the typical retiree.<sup>4</sup>
- Improved cost of living adjustment.

## Greater Retirement Security for Women

Benefit increases that are targeted to women who on average live longer than men and receive lower benefits.

## Low Income Americans

A minimum benefit to protect workers from falling into poverty in retirement.

## Elderly Americans

For someone retiring today, their benefits will be 5% greater at age 85 than they would be under the current system.<sup>5</sup>

## Workers and Future Retirees

The assurance of knowing the system remains on strong footing and the guarantee that the Trust Fund will be able to meet benefit obligations beyond 2088.

## Contacts

For more information about the Larson Proposal visit:  
[www.Larson.House.gov](http://www.Larson.House.gov)



You can also visit the Social Security Administration's website at:  
[www.SSA.gov](http://www.SSA.gov) or call 1-800-772-1213 for more information

## REFERENCES

1. Social Security Administration
2. AARP Report: "Social Security's Impact on the National Economy"
3. Center on Budget and Policy Priorities
4. Based on a 2% increase from the \$15,528 average annual Social Security retirement benefit
5. Office of the Chief Actuary

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**The Social Security 2100 Act**  
Strengthening the  
Middle Class's Insurance  
System for this Century  
and Beyond





## A NEW DEAL PROGRAM THAT'S A GREAT DEAL FOR AMERICANS

In 1935, President Roosevelt signed the Social Security Act (above). Today:

- For two-thirds of retirees, Social Security makes up over half of their income.<sup>1</sup>
- Social Security **boosts the economy** by supporting \$1.4 trillion in economic activity and over 9 million jobs each year.<sup>2</sup>
- Social Security is our **most effective anti-poverty program**, lifting 22 million out of poverty, including 1 million children.<sup>3</sup>

There is nothing like Social Security in the private sector. With inflation protection and the guarantee that you will never outlive your benefits, Social Security is an all-in-one insurance system for:

**RETIREMENT — SURVIVORS  
DEPENDENTS — DISABILITY — SPOUSES**

## SOCIAL SECURITY IS NOT AN ENTITLEMENT

It is insurance that you contribute to with each paycheck. That is why FICA stands for:

### Federal Insurance Contributions Act

Social Security has never missed a payment or added to the deficit since Ida May Fuller received the first check on January 31, 1940.

## SOCIAL SECURITY IS AFFORDABLE

- Many have suggested we can't afford Social Security and that today's workforce shouldn't count on its benefits. That is plain wrong.
- Cutting benefits would be a mistake. Workers today have seen stagnant wages, are less likely to find a job with a pension, and have 401k's and savings plans that aren't enough for a secure retirement.
- The fact is Social Security has built up \$2.7 trillion in reserves and is fully solvent through 2033. However, benefits are scheduled to fall by one-quarter after 2033, which is why we should act to strengthen the system.

**There are common sense measures we can take to preserve and strengthen this bedrock program for generations to come...**

## THE LARSON SOCIAL SECURITY PROPOSAL

### STRENGTHENS BENEFITS BUILDING ON WHAT WORKS

- Provides an across the board increase for all beneficiaries.**
- Improves the Cost of Living Adjustment (COLA)** to take into account the true costs incurred by seniors.
- Provides a tax break to Social Security recipients** by raising the threshold for taxation on benefits to \$50,000 for individuals (\$100,000 for joint filers). Presently, Social Security beneficiaries making more than \$25,000 (\$32,000 for joint filers) per year pay taxes on their benefits.
- Protects retirees from falling into poverty**

### STRENGTHENS THE TRUST FUND KEEPS THE PROGRAM SOLVENT BEYOND THE NEXT 75 YEARS, CERTIFIED BY SOCIAL SECURITY'S CHIEF ACTUARY

**Only 50 cents per week for the average worker.** Implements a small, gradual increase in workers' and employers' contributions to the Social Security Trust Fund.

**Ensures that millionaires and billionaires pay into the system like everyone else.** Presently, payroll taxes are not collected on wages over \$117,000. This proposal would apply the payroll tax to wages above \$400,000.