



February 16, 2012

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Dear FreedomWorks member,

As one of our million-plus FreedomWorks members nationwide, I urge to contact your senator and ask him or her to cosponsor S. 2107, the Social Security Preservation through Individual Choice Enhancement (SSPICE) Act. Introduced by Sen. Mike Lee (R-UT), with Sen. Jim DeMint (R-SC) as an original cosponsor, the bill would turn the payroll tax holiday into an opt-in system, allowing each worker to annually decide if he or she wants to continue receiving the tax cut. Rep. Jeff Landry (R-LA) has introduced companion legislation, H.R. 3551, in the House. The SSPICE Act would increase worker freedom and reduce the unfunded obligations in Social Security.

The SSPICE Act empowers workers instead of politicians to make their own Social Security decisions. Under this law, workers would choose to lower their Social Security payroll tax payments now or claim their benefits earlier. It would enable employees to choose annually whether to accept the payroll tax holiday or not. Those who opt to receive the two percentage point payroll tax holiday will push back their Social Security eligibility date by one month for every year they take the tax cut, which offsets the amount that they would have paid into Social Security. Individuals who opt not to receive the payroll tax holiday will maintain their current Social Security eligibility date.

The SSPICE Act would not raise taxes or cut benefits on current Social Security recipients. The Social Security Administration's Chief Actuary has found that the SSPICE Act will reduce the Social Security's unfunded obligations by \$2.1 trillion and eventually reduce the annual deficit by one-third. It would allow Americans the option to keep more of their money without effecting current Social Security recipients.

When considering the SSPICE Act and the payroll tax fight, it should be remembered that the 1960 Supreme Court case of *Flemming v. Nestor* made it clear: the payroll tax is just a tax like any other and Social Security benefits that are ultimately paid out are a benefit that will be decided upon by the 535 Members of Congress at that time. Which is to say there is no "trust fund" and the payroll tax holiday is a tax cut. The SSPICE Act lets us decide to reduce our own taxes and lower the government's unfunded liability for a large program at the same time.

The SSPICE would increase personal choice and civic involvement. I urge you to contact your senator and ask him or her to cosponsor S. 2107, the Social Security Preservation through Individual Choice Enhancement (SSPICE) Act today.

Sincerely,

Matt Kibbe
President and CEO
FreedomWorks