



September 14, 2020

Support the Support for Workers, Families and Social Security Act, H.R. 8201

On behalf of our activist community, I urge you to contact your representative and ask him or her to cosponsor the Support for Workers, Families and Social Security Act, H.R. 8201. Introduced by Rep. Kevin Brady (R-Texas), the Support for Workers, Families and Social Security Act would provide Americans with relief from their share of the payroll tax for four months. A holiday from the payroll tax would give workers a pay raise during tough economic times.

In August, President Trump signed an executive order deferring payment of the 6.2 percent tax for Old-Age, Survivors, and Disability Insurance (OASI) required under 26 U.S.C. 3101(a) between September 1, 2020 and December 31, 2020. The deferral applies to biweekly wages of under \$4,000 (\$104,000 annually). Without legislation turning the executive order into a true payroll tax holiday, employers are still responsible for the deferred payroll tax for workers. The repayment period for the deferred taxes is January 1 through April 30.

The Support for Workers, Families and Social Security Act would turn the deferral provided by the executive order into a temporary tax holiday, reducing the payroll tax rate for OASI to zero between September 1, 2020 and December 31, 2020. This will provide an immediate 6.2 percent boost in wages for workers. As the Republican staff for the House Ways and Means Committee notes, for a married couple filing jointly earning \$120,000 annually, this would be a \$2,480 tax cut. For a single mother earning \$55,000 annually, the holiday would be a \$1,137 tax cut.

Contrary to false statements made by congressional Democrats, the Social Security trust funds would not be harmed under a payroll tax holiday. The Support for Workers, Families and Social Security Act holds the trust funds harmless, requiring transfers of general revenue to the trust funds. The trust funds were held harmless in 2011 and 2012 when then-President Obama signed legislation into law providing temporary payroll tax cuts. Current and future Social Security benefits will also not be affected.

The Support for Workers, Families and Social Security Act would provide needed tax relief to American workers, giving them a pay raise during these tough economic times caused by the

COVID-19 pandemic. This is, after all, their money. Giving workers more of the money they have earned is the right thing to do. For these reasons, I urge you to contact your representative and ask him or her to cosponsor the Support for Workers, Families and Social Security Act, H.R. 8201.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. Brandon', with a stylized flourish at the end.

Adam Brandon
President, FreedomWorks