

Rebuild the American Dream by Securing Social Security

6. Secure Social Security. Keep Social Security sound, and strengthen the retirement, disability, and survivors' protections Americans earn through their hard work. Pay for it by removing the cap on the Social Security tax, so that upper-income people pay into Social Security on all they make, just like the rest of us.

Social Security, the nation's most popular and successful social program, protects workers and their families with vital life insurance, disability insurance, and old-age pensions. When workers grow old, Social Security provides security for the remainder of their lives. If workers become disabled, Social Security is there. If they die, Social Security provides their families a guaranteed source of income. Workers earn those valuable protections for themselves and their families through their hard work and their Social Security payroll tax contributions.

Social Security has [sufficient income and assets](#), without any Congressional action whatsoever, to [pay all benefits](#) for the next quarter of a century, and 77 percent of all benefits thereafter. [Social Security Administration, Congressional Budget Office] The amount of additional revenue needed to pay all benefits after 25 years is relatively modest -- [roughly the amount of the Bush tax cuts for the wealthiest 2 percent of Americans](#). [Center for Budget and Policy Priorities].

The program's projected shortfall should be dealt with deliberately and openly, separate from the current federal deficit-reduction negotiations. Social Security does not and, by law, cannot contribute a penny to the federal deficit. It has its own dedicated revenue. It can only pay benefits if it has the income to cover the cost. In fact, it currently has a [surplus of \\$2.7 trillion](#) that will grow to \$3.7 trillion by 2022. [SSA]

Social Security's Manageable Shortfall, Still Decades Away, Should Be Eliminated by Scrapping the Payroll Tax Cap.

- Employers and employees pay Social Security payroll tax contributions only on workers' first \$106,800 of wages. Just 6 percent of workers have wages above that cap.
- Millionaires and billionaires should pay the same percentage of their salaries to Social Security as their secretaries, rather than a smaller percentage.
- Scrapping the cap so that all wages are subject to the payroll tax, and all workers pay the same percentage, [would close](#) Social Security's entire projected 75-year funding gap. [SSA]
- Congress scrapped the cap on payroll tax contributions to Medicare's Hospital Insurance Trust Fund in 1993. [It's time for Congress to do the same for Social Security](#). [Strengthen Social Security]

Benefits Need to Be Maintained for Today's and Tomorrow's Working Families.

- Social Security's modest benefits, averaging just \$13,000 a year, are vitally important to the vast majority of those who receive them.
- Those modest benefits are more important than ever. Traditional private pensions are disappearing, 401(k) plans are proving inadequate, and middle-class Americans have lost home equity and other wealth.
- It's time to stop thinking about cutting Social Security and start thinking about how to increase it to improve the economic security of working persons and their families.