Hospitals & Asylums

In re: 2020 Payroll Tax Freedom of Information Act Consultation; Social Security Administration (SSA) Acting Commissioner Kilolo Kijakazi v. SSA Office of Chief Actuary, Medicare Office of the Actuary, Bureau of Fiscal Service HA-21-8-21

By Anthony J. Sanders
Applicant Public Trustee

A. The Federal Insurance Contributions Act (FICA) tax is the federal primary payroll tax that collects for the Old Age Survivor Disability Insurance (OASDI) and Hospital Insurance (HI) trust funds, however the HI Trust Fund are other interagency payroll contributions for federal and non-federal social insurance programs, particularly state unemployment insurance are accounted for on-budget. Refunds are not provided, taxpayers receive credit for disability and retirement insurance benefits. Unemployment beneficiaries do not pay any payroll taxes. The Economic Security Act (H. R. 7260), first enacted August 14, 1935 was subsequently amended numerous times. The four most significant amendments to the Social Security Act have been the creation of a disability insurance program in the Amendments of 1956, P.L. 86-778 of 1960 that removed the age requirements for disability insurance, the creation of a national medical insurance program in P.L. 89-97 signed on July 30, 1965 and Public Law 92-603 of 1972 that enacted the Supplemental Security Income (SSI) Program to assist "individuals who have attained age 65 or are blind or disabled" by setting a guaranteed minimum income level for such persons. The SSI Program is currently financed by the General Fund rather than the payroll tax. The 15.3% Federal Insurance Contribution Act payroll tax is split between the 12.4% OASDI and 2.9% HI taxes under 26USC§1401. This tax burden is distributed 6.2% OASDI and 1.45% Hospital Insurance (HI) tax + 0.9% tax on high incomes, for employers to collect from employees under 26USC§3101. There is also imposed on employers a 6.2% + 1.45% tax under 26USC§3111.

B. After excessive delay it seems to be necessary for the Social Security Administration and Medicare Actuaries to sue the Bureau of Fiscal Service, who prepares the Combined Statement, for consultation regarding the unusual circumstances surrounding the obviously erroneous 2020 payroll tax revenue estimates, pursuant to the Freedom of Information Act under 31CFR§1(a)(4) and 5USC§552(6)(C)(iii)(III). These agencies are communicated with via the Treasury Secretary press office and Social Security Online due to the prohibition against retaliation and coercion in Sec. 503 of the Americans with Disabilities Act under 42USC§12203. The 2020 Annual Report of the Board of Trustees of the Federal Old Age Survivor Insurance Trust Fund and Federal Disability Insurance Trust Fund and 2020 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund and Federal Supplemental Medical Insurance Trust Fund neglected to include the potential effects of the COVID-19 pandemic and ensuing recession, in order to be produced in a nearly timely fashion on April 22, 2020, nor did the updated baseline of November 24, 2020 make any attempt to estimate the effect the pandemic had on payroll tax revenues. Despite the economic depression, the 2020 Combined Statement reports 7.1 percent growth in Federal Old-Age and Survivor Insurance (OASI) Trust Fund and 5.1 percent growth in Federal Hospital Insurance (HI) payroll and self-employment income tax revenues, at the same time it reports -2.7 percent decrease in Disability Insurance (DI) Trust Fund revenues. These payroll tax estimates are all believed to be totally bogus and a special report of the Treasury must be Commissioned to sort out 2020 payroll tax revenues.

Payroll Tax Dispute 2019-2020
(millions)

	2019	2020
Federal Old-Age and Survivors Insurance Trust Fund (CS)	770,282	825,307
Federal Old-Age and Survivors Insurance Trust Fund (AR)	805,100	836,200-853,300-862,100
Federal Disability Insurance Trust Fund (CS)	144,020	140,121
Federal Disability Insurance Trust Fund (AR)	139,400	142,000-144,900-146,400
Federal Hospital Insurance Trust Fund (CS)	277,572	291,777
Federal Hospital Insurance Trust Fund (AR)	285,138	301,500

Source: CS – 2019 and 2020 Combined Statement. AR - 2020 Annual Report of the Board of Trustees of the Federal Old Age Survivor Insurance Trust Fund and Federal Disability Insurance Trust Fund and 2020 Annual Report of the Board of Trustees of the Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Fund 2020 high cost, intermediate cost and low cost estimates.

1. In comparison of 2019 figures with more credible Annual Reports, the Combined Statement makes inaccurate estimates, that are significantly low in regards to OASI and HI and high in regards to DI Trust Fund payroll tax revenues. Nonetheless, the irregular, high end of normal growth for the OASI and HI Trust Funds for a time when revenue growth would be expected to even more negative than -6.4 percent (2020) individual income tax revenue growth, casts the believable -2.7 percent reduction in DI revenues into doubt. Reason being, although unemployment compensation beneficiaries must pay individual income taxes they are exempt from the payroll tax, and this means that the payroll tax should be even more negative than the individual income tax for this time period. During the Great Recession revenues are reported to have declined -4.8 percent (2009), -4.5 percent (2010), and -11.5 percent (2011 due to General Fund reimbursed payroll tax forgiveness), before recovering. Six times more people received pandemic compensation than extended unemployment benefits during the Great Recession, that was a financial crisis disparately affecting the -20.6 percent decline in individual income taxes of high income earners, while COVID shut down payrolls the social security trust funds disparately rely upon.

Monthly Employment Data and Analysis December 2019-July 2021
(thousands)

Dec. 2019	January 2020	Feb. 2020	March 2020	April 2020	May 2020
156,825	158,659	158,732	155,536	133,370	137,224

June 2020	July 2020	August 2020	Sept. 2020	October 2020	Nov. 2020
142,100	143,777	147,276	147,543	149,669	149,809
Dec. 2020	January 2021	Feb. 2021	March 2021	April 2021	May 2021
149,830	150,031	150,235	150,848	151,160	151,620
June 2021	July 2021	2019 Average	2020 Average	2021 Average	% Change 2019-2020
151,602	152,645	157,538	147,794	151,031	-6.2%

Source: Bureau of Labor Statistics. Employment Situation December 2019-July 2021

2. A -5 percent to -10 percent decline in payroll tax revenues is expected due to the COVID-19 pandemic that was estimated to cause a -10 percent economic contraction by the United Nations and did in Great Britain where they sold rather than "bought" their excessive debt under 31USC§5153 and Art. I Sec. 9 Cl. 7 of the US Constitution. Although wage data is significant, to arrive at an accurate estimate, by which to gauge the veracity of the payroll tax estimate, month by month employment data from December 2019 – July 2021 must be reviewed to determine the monthly average employment. The result is that there was a -6.2 percent decrease in employment 2019-2020 that is corroborated by the -6.4 percent decline in individual income taxes, despite an estimated $58 billion of $580 billion 2020 unemployment compensation withheld for individual income taxes, 3.6 percent of 2020 individual income tax revenues. Judging from individual income tax receipts, the decline in incomes of rich people was so significant the decline in HI revenues may be +/- 0.2 percent more severe than the decline in OASI and DI revenues. Due to a high level of uncertainty and inequality between individual income taxes and payroll taxes it is estimated that 2020 payroll taxes should decline between -5 percent, because fewer workers worked more and were paid higher wages, and -10 percent because the payroll tax did not enjoy any of the 3.6 percent of individual income tax revenues generated from taxing unemployment compensation.

Payroll Tax 2008-2024

(billions)

	HI	OASDI	OASI	DI
2008		672.1	574.6	97.6
2009		667.3	570.4	96.9
2010	183.6	637.3	544.8	92.5
2011	192.1	564.2	482.4	81.9
2012	204.8	589.5	503.9	85.6
2013	212.9	726.2	620.8	105.4
2014	227.6	756.0	646.2	109.7
2015	237.7	794.9	679.5	115.4

2016	250.5	836.2	678.8	157.4
2017	259.7	873.6	706.5	167.1
2018	264.4	885.1	715.9	169.2
2019	281.4	944.5	805.1	139.4
2020 AR	253.3-260.3-267.3	850-873.7-897.3	724.6-744.7-764.9	125.5-130.0-132.4
2021 AR	260.9-275.9-275.3	901-899.9-951.1	768.1-789.4-810.8	133-137.8-140.3

Source: 2020 Annual Report of the Board of Trustees of the Federal Old Age Survivor Insurance Trust Fund and Federal Disability Insurance Trust Fund. 2020 Annual Report of the Board of Trustees of the Federal Hospital Insurance and Federal Supplemental Medical Insurance Trust Funds. COVID-19 affect on 2020 estimated -10%-7.5%-5% decline in payroll taxes, 6% growth therefrom in 2021

3. Payroll tax revenues are estimated to decline -5 percent, -7.5 percent to -10 percent in 2020 before rising 6 percent annually. The OASDI Trust Funds would increase an estimated 33 percent when the rich and state employees are taxed. The COVID-19 pandemic is expected to reduce HI payroll tax revenues from $281.4 billion in 2019 to somewhere between $260.9 billion and $275.3 billion in 2020. Combined OASDI payroll tax revenues would decrease $944.5 billion in 2019 to between $850 billion and $897.3 billion in 2020. OASI payroll tax revenues decrease from $805.1 billion in 2019 to between $724.6 billion and $764.9 billion in 2020. DI payroll tax revenues decrease from $139.4 billion in 2019 to between $125.5 billion and $132.4 billion in 2020. There would continue to be a warning regarding the DI trust fund balance being below 100 percent of annual costs, that was not completely redressed by the 2.37 percent DI tax rate 2016-2018 from the Bipartisan Budget Act of 2015, and even with economic recovery, due to the inadequate 1.8 percent DI tax rate the DI Trust Fund would be completely depleted around 2024. In 2021 payroll tax revenues are expected to grow at slightly better than average rate of 6 percent from whatever the actual payroll revenues were in 2020, whereas job loss takes time to recuperate. COVID-19 would be setback and a combined trust fund deficit is to be expected until such a time that Congress increases revenues by one-third by repealing the tax loophole in Sec. 230 of the Social Security Act under 42USC§430. The 2020 Combined Statement reports, $50 Gifts for the HI Trust Fund,$48,648 Gifts for the OASI Trust Fund, $1,250 million payments from General Fund to HI Trust Fund, Miscellaneous Federal Payments to OASI Trust Fund $37.9 billion, General Fund Payments for Payroll Tax Holiday $7.3 million, Federal Payments for Pension Reform OASI $1 million, FDI Federal Fund Payments for Payroll Tax Holiday $1.2 million, HI Trust Fund $1.5 million criminal fines, $27.7 million civil monetary penalties, $701.4 million asset forfeiture, Transfers from General Fund equal to FICA HI $4.1 billion, Transfers from General Fund equal to FICA OASI $16.4 billion, Transfers from General equal to FICA DI $2.8 billion, interest paid HI $5.3 billion, investment earnings OASI $76.0 billion, investment earnings DI $2.8 billion; railroad retirement receipts excluded.

C. The 15.3% Federal Insurance Contribution Act payroll tax is split between the 12.4% OASDI and 2.9% HI taxes under 26USC§1401. This tax burden is distributed 6.2% OASDI and 1.45% Hospital Insurance (HI) tax + 0.9% tax on high incomes, for employers to collect from employees under 26USC§3101. There is also imposed on employers a 6.2% + 1.45% tax under 26USC§3111. It is a matter of discrimination against disability that the Actuary and Congress have not adjusted the DI tax rate since 2000, except for a three period (2016-2018) under the Bipartisan Budget Act of 2015. Congress remains burdened with the DI tax rate calculation in Sec. 201(b)(1) of the Social Security Act under 42USC§401(b)(1). To pay for a third of expiring pandemic compensation beneficiaries without depleting the neglected DI trust fund, end child poverty by 2024 and all poverty by 2030, and normalize the federal budget, it is necessary to close the OASDI tax loophole for the rich and state employees beginning as soon as October 1, 2020 and no later than January 1, 2021 to pay for COVID-19 disabled workers and create an SSI Trust Fund to end child poverty by 2024 and all poverty by 2030 by repealing the Adjustment to Contribution Base at Sec. 230 of the Social Security Act under 42USC§430. The HI tax eliminated the maximum taxable limit in 1994 and, not including the extra 0.9% tax on high incomes, this increased revenues by one-third.

Payroll Tax Rates 1937-2024

		Employers	And	Employees	Combined	Self-employed				
Calendar Year	Contribution and benefit base	OASDI	OASI	DI	HI	OASDI	OASI	DI	SSI	HI
1937-49	3,000	2.00	2.00	-	-	-	-	-	-	-
1950	3,000	3.00	3.00	-	-	-	-	-	-	-
1951-53	3,600	3.00	3.00	-	-	2.2500	2,2500	-	-	-
1954	3,600	4.00	4.00	-	-	3.0000	3.0000	-	-	-
1955-56	4,200	4.00	4.00	-	-	3.0000	3.0000	-	-	-
1957-58	4,200	4.00	4.00	0.50	-	3.3750	3.0000	0.3750	-	-
1959	4,800	5.00	4.50	0.50	-	3.7500	3.3750	0.3750	-	-
1960-61	4,800	6.00	5.50	0.50	-	4.5000	4.1250	0.3750	-	-
1962	4,800	6.25	5.75	0.50	-	4.7000	4.3250	0.3750	-	-
1963-65	4,800	7.25	6.75	0.50	-	5.4000	5.0250	0.3750	-	-
1966	6,600	7.70	7.00	0.70	0.70	5.8000	5.2750	0.5250	-	0.35
1967	6,600	7.80	7.10	0.70	1.00	5.9000	5.3750	0.5250	-	0.50
1968	7,800	7.60	6.65	0.95	1.20	5.8000	5.0875	0.7125	-	0.60
1969	7,800	8.40	7.45	0.95	1.20	6.3000	5.5875	0.7125	-	0.60

1970	7,800	8.40	7.30	1.10	1.20	6.3000	5.4750	0.8250	-	0.60
1971	7,800	9.20	8.10	1.10	1.20	6.9000	6.0750	0.8250	-	0.60
1972	9,000	9.20	8.10	1.10	1.20	6.9000	6.0750	0.8250	-	0.60
1973	10,800	9.70	8.60	1.10	2.00	7.0000	6.2050	0.7950	-	1.00
1974	13,200	9.90	8.75	1.15	1.80	7.0000	6.1850	0.8150	-	0.90
1975	14,100	9.90	8.75	1.15	1.80	7.0000	6.1850	0.8150	-	0.90
1976	15,300	9.90	8.75	1.15	1.80	7.0000	6.1850	0.8150	-	0.90
1977	16,500	9.90	8.75	1.15	1.80	7.0000	6.1850	0.8150	-	0.90
1978	17,700	10.10	8.55	1.55	2.00	7.1000	6.0100	1.0900	-	1.30
1979	22,900	10.16	8.66	1.50	2.10	7.0500	6.0100	1.0400	-	1.05
1980	25,900	10.16	9.04	1.12	2.10	7.0500	6.2725	0.7775	-	1.05
1981	29,700	10.70	9.40	1.30	2.60	8.0000	7.0250	0.9750	-	1.30
1982	32,400	10.80	9.15	1.65	2.60	8.0500	6.8125	1.2375	-	1.30
1983	35,700	10.80	9.55	1.25	2.60	8.0500	7.1125	0.9375	-	1.30
1984	37,800	11.40	10.40	1.00	2.60	11.400	10.400	1.0000	-	2.60
1985	39,600	11.40	10.40	1.00	2.70	11.400	10.400	1.0000	-	2.70
1986	42,000	11.40	10.40	1.00	2.90	11.400	10.400	1.0000	-	2.90
1987	43,800	11.40	10.40	1.00	2.90	11.400	10.400	1.0000	-	2.90
1988	45,000	12.12	11.06	1.06	2.90	12.120	11.060	1.0600	-	2.90
1989	48,000	12.12	11.06	1.06	2.90	12.120	11.060	1.0600	-	2.90
1990	51,300	12.40	11.20	1.20	2.90	12.400	11.200	1.2000	-	2.90
1991	53,400	12.40	11.20	1.20	2.90	12.400	11.200	1.2000	-	2.90
1992	55,500	12.40	11.20	1.20	2.90	12,400	11.200	1.2000	-	2.90
1993	57,600	12.40	11.20	1.20	2.90	12.400	11.200	1.2000	-	2.90
1994	60,600	12.40	10.52	1.88	2.90	12.400	10.520	1.8800	-	2.90
1995	61,200	12.40	10.52	1.88	2.90	12.400	10.520	1.8800	-	2.90
1996	62,700	12.40	10.52	1.88	2.90	12.400	10.520	1.8800	-	2.90
1997	65,400	12.40	10.70	1.70	2.90	12.400	10.700	1.7000	-	2.90
1998	68,400	12.40	10.70	1.70	2.90	12.400	10.700	1.7000	-	2.90
1999	72,600	12.40	10.70	1.70	2.90	12.400	10.700	1.7000	-	2.90
2000	76,200	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2001	80,400	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90

2002	84,900	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2003	87,000	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2004	87,900	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2005	90,000	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2006	94,200	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2007	97,500	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2008	102,000	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2009	106,800	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2009 p	106,800	12.40	10.37	2.03	2.90	12.400	10.370	2.0300	-	2.900
2010	106,800	12.40	10.60	1.80	2.90	12.400	10.600	1.5100	-	2.90
2010 p	106,800	12.40	10.05	2.35	2.90	12.400	10.050	2.3500	-	2.90
2011	106,800	10.40	8.89	1.51	2.90	10.400	8.8900	1.5100	-	2.90
2011 p	106,800	12.40	10.04	2.36	2.90	12.400	10.040	2.3600	-	2.90
2012	110,100	10.40	8.89	1.51	2.90	10.400	8.8900	1.8000	-	2.90
2012 p	110,100-	12.40	10.01	2.39	2.90	12.400	10.010	2.3900	-	2.90
2013	113,700	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2013 p	113,700	12.40	9.95	2.45	2.90	12.400	9.9500	2.4500	-	2.90
2014	117,000	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2014 p	117,000	12.40	10.09	2.31	2.90	12.400	10.090	2.3100	-	2.90
2015	118,500	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2015 p	118,500	12.40	10.16	2.24	2.90	12.400	10.160	2.2400	-	2.90
2016	118,50	12.40	10.03	2.37	2.90	12.400	10.030	2.3700	-	2.90

	0									
2017	127,200	12.40	10.03	2.37	2.90	12.400	10.030	2.3700	-	2.90
2018	128,400	12.40	10.03	2.37	2.90	12.400	10.030	2.3700	-	2.90
2018 p	128,400	12.40	10.36	2.04	2.90	12.400	10.360	2.0400	-	2.90
2019	132,900	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2019 p	132,900	12.40	10.50	1.90	2.90	12.400	10.500	1.9000	-	2.90
2020	137,700	12.40	10.60	1.80	2.90	12.400	10.600	1.8000		2.90
2020pl	137,700	12.40	10.34	2.06	2.90	12.400	10.340	2.060	-	2.90
2020pi	137,700	12.40	10.10	2.30	2.90	12.400	10.100	2.3000	-	2.90
2021	141,800	12.40	10.60	1.80	2.90	12.400	10.600	1.8000	-	2.90
2021pl	141,800	12.40	10.04	2.36	2.90	12.400	10.040	2.3600	-	2.90
2021pi	141,800	12.40	8.80	3.60	2.90	12.400	8.8000	3.6000	-	2.90
2021t	12.40	0.70	8.95	2.75	2.90	12.400	8.9500	2.7500	0.7000	2.90
2022t	12.40	0.70	8.95	2.75	2.90	12.400	8.9500	2.7500	0.7000	2.90
2023t	12.40	0.75	8.90	2.75	2.90	12.400	8.9000	2.7500	0.7500	2.90
2024t	12.40	0.75	8.90	2.75	2.90	12.400	8.9000	2.7500	0.7500	2.90

Source: 2020 Annual Report of the Board of Trustees of the Federal Old Age Survivor Insurance Trust Fund and Federal Disability Insurance Trust Fund pg. 149 and 208; Because 2011-2012 tax relief was reimbursed by the General Fund tax redistribution assumes 12.4% OASDI tax. 2013 and later there is a 0.9% HI tax on high incomes. P – proposed, pl proposed low, pi proposed intermediate, 3% increase in contribution and benefit base 2021 n/a 2021 tax – t, replaced with total including SSI, SSI replaces total

2. The combined employee/employer rate is divided equally between employees and employers. Beginning in 1990, self-employed persons receive a deduction, for purposes of computing their net earnings, equal to half of the combined OASDI and HI contributions that would be payable without regard to the contribution and benefit base. The OASDI contribution rate then applies to net earnings after this deduction, but subject to the OASDI base. The payroll tax on earnings for the OASDI

program applies to annual earnings up to a contribution and benefit base indexed to the average wage level. The base is $137,700 for 2020. Prior to 1994, the payroll tax on earnings for the HI program applied to annual earnings up to a contribution base. The HI contribution base was eliminated beginning in 1994. Starting with Federal personal income tax returns for tax year 2013, earned income exceeding $200,000 for individual filers and $250,000 for married couples filing jointly is subject to an additional HI tax of 0.9 percent. These income limits are not indexed after 2013. In 1984 only, employees received an immediate credit of 0.3 percent of taxable wages against their OASDI payroll tax contributions. The self-employed received similar credits of 2.7 percent, 2.3 percent, and 2.0 percent against their combined OASDI and Hospital Insurance (HI) contributions on net earnings from self-employment in 1984, 1985, and 1986-89, respectively. The General Fund of the Treasury reimbursed the trust funds for these credits. Public Law 111-147 exempted most employers from paying the employer share of OASDI payroll tax on wages paid during the period March 19, 2010 through December 31, 2010 to certain qualified individuals hired after February 3, 2010. The General Fund of the Treasury reimbursed the trust funds for the payroll tax revenue forgone under this law. Public Law 111-312, Public Law 112-78, and Public Law 112-96 reduced the OASDI payroll tax rate for 2011 and 2012 by 2 percentage points for employees and for self-employed workers. The General Fund of the Treasury reimbursed the trust funds for the payroll tax revenue forgone under these laws.

3. The Annual Report states, the Tax Cuts and Jobs Act, Public Law 115-97, was enacted on December 22, 2017. This law will have several effects on the actuarial status of the OASDI program. The law reduces tax rates for individuals, alters the tax brackets and their indexing, and repeals the individual mandate of the Patient Protection and Affordable Care Act. The repeal of the individual mandate is expected to cause some individuals to drop their employer sponsored health insurance, which is estimated to increase OASDI covered wages and taxable payroll slightly. The tax rate and tax bracket changes will affect income to the trust funds from taxation of Social Security benefits. Because the law reduces tax rates through 2025, and the tax bracket thresholds will grow more slowly in the future due to the change in indexing, income from taxation of benefits relative to last year's report is decreased through 2025 and increased thereafter. In addition, temporary changes for certain small businesses will have effects on reported self-employment income. As a whole, the law has a significant net negative effect on the financial status of the OASDI program over the short-range projection period and a negligible net positive effect over the long-range projection period.

4. Sec. 2 of Deferring Certain Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster of August 8, 2020, is an unusual and uncodified Presidential Memorandum to the Treasury. The Memorandum directs the Secretary of the Treasury to use his authority pursuant to 26USC§7508A to defer the withholding, deposit, and payment of the payroll tax imposed by 26USC§3101(a), and so much of the tax imposed by 26USC§3201 as is attributable to the rate in effect under 26USC§3101(a), on wages or compensation, as applicable, paid during the period of September 1, 2020, through December 31, 2020. A business can defer the 6.2% employer portion of the Social Security tax component of FICA tax owed on the first $137,700 of an employee's 2020 wages paid between 3/27/20 and 12/31/20. Self-employed workers can defer half of their liability for the 12.4% Social Security tax component of the self-employment (SE) tax for the deferral period. The business must then pay the deferred payroll tax amount in two installments: Half of the deferred amount must be paid in by 12/31/21. The remaining half must be paid in by 12/31/22. This payroll tax deferral deal is available to all employers, with no requirement to show any specific COVID-19-related impact. The loan is not believed to have enjoyed much use.

5. Congress is highly advised to adjust the OASDI payroll tax rate to the full extent needed to prevent a deficit in the highly depleted and inadequate DI Trust Fund by amending Sec. 201(b)(1)&(2) of the Social Security Act under 42USC§401(b)(1)(&(2). The OASI Trust Fund would receive credit on paying back their welfare fraud loan to DI Trust Fund, with the difference between the 1.8% and 2.06% low or 2.3% high cost COVID-19 pandemic projection for 2020 pursuant to Sec. 201(l) of the Social Security Act under 42USC§401(l). For the low-cost COVID-19 scenario (b)(1)(&(2) would be amended by appending (U) 2.06 per centum of the wages paid after December 31, 2019 and January 1, 2021. $22.9 billion would be reduced from the debt owed DI to $170.1 billion. Or if they vote to pay the intermediate projection for as many as half pandemic compensation beneficiaries upon expiration by taxing the rich and state employees to reduce the DI debt by $40.2 billion reducing the DI debt to $152.8 billion (U) 2.3 per centum of wages paid after December 31, 2019 and before January 1, 2021 and (V) 2.75 per centum of wages (including the tax on the rich and state employees) paid after December 31, 2020 and before January 1, 2025.

6. To conclusively pay back the >$193 billion loan from the DI Trust Fund in full, for the incompetence of the Board of Trustees to properly adjust the OASDI tax rates during the Great Recession, by lawfully transferring funds from the OASI Trust Fund to the DI Trust Fund, now that the final results are known, it is advised to amend Sec. 201(b)(1)&(2) of the Social Security Act under 42USC§401(b)(1)(&(2) beginning with (R) 1.80 per centum of the wages (as so defined) paid after December 31, 1999, and before January 1, 2009, and so reported. (S) 2.03 per centum of the wages/self-employment income paid after December 31, 2008, and before January 1, 2010, and so reported, (T) 2.35 per centum of wages paid after December 31, 2009 and before January 1, 2011, (U) 2.36 per centum of wages paid after December 31, 2010 and before January 1, 2012, (V) 2.39 per centum of wages paid after December 31, 2011 and before January 1, 2013, (W) 2.45 per centum of the wages paid after December 31, 2012 and before January 1, 2014, (X) 2.31 per centum of the wages paid after December 31, 2013 and before January 1, 2015. (Y) 2.24 per centum of the wages paid after December 31, 2014 and before January 1, 2015. (Z) 2.37 per centum of the wages (as so defined) paid after December 31, 2015, and before January 1, 2018. (AA) 2.04 per centum of the wages paid after December 31, 2017 and before January 1, 2019. (AB) 1.9 per centum of the wages paid after December 31, 2018 and before January 1, 2020. (AC) 2.06 per centum of the wages paid after December 31, 2019 and January 1, 2021, in the low-cost COVID-19 scenario. or (AC) 2.3 per centum of wages paid after December 31, 2019 and before January 1, 2021, in the intermediate COVID-19 scenario. (AD) 2.75 per centum of wages paid after December 31, 2020 and before January 1, 2025, including the tax on the rich and state employees.

7. It is proposed that instead of an extraordinarily large Cost-of-Living Adjustment (COLA) in 2022 the Commissioner agrees to a perpetual 3 percent annual COLA, provided consumer price inflation continues to average 2.2 percent, ranging from 2 percent to 3 percent annually, as it has since 1980, to enable low income beneficiaries to compete with inflation and ultimately not be poor, to reinterpret Sec. 215(i) of the Social Security Act 42USC§415(i). To levy more than $250 billion annually, with which to prevent the imminent depletion of the social security trust funds, reduce the federal deficit by the amount of the Supplemental Security Income (SSI) Program, pay for COVID-19 related economic disability, end child poverty by 2024 and all poverty by 2030, it is necessary to close the tax loophole for state employees and the rich to pay the full 12.4% OASDI tax on all their income. The Adjustment to the Contribution Base at Sec. 230 of the Social Security Act 42USC§430 must be repealed and

replaced:

a. Supplemental Security Income Trust Fund - There is created in the Treasury, to relieve the General Fund from obligation therefore, an SSI Trust Fund to end child poverty by 2024 and all poverty by 2030 pursuant to Sec. 1611 of Title XVI of the Social Security Act under 42USC§1382 *et seq*. There is hereby preliminarily appropriated to the SSI Trust Fund for the current calendar year and each year thereafter, for exact amendment by subsequent final reports if needed, amounts equivalent to 100 per centum of— (A) 0.7 per centum of wages and self-employment income paid after December 31, 2021 and before January 1, 2024. (B) 0.75 per centum of wages and self-employment income paid after December 31, 2023 and so reported, which wages and self-employment income shall be certified on the basis of the records maintained by the Commissioner. Trust Funds at Sec. 201(b) of the Social Security Act 42USC401(b) shall be amended by inserting (3) Supplemental Security Income (SSI) Trust Fund. The due date of the Annual Report shall be amended from April 1 to June 20-21, the summer solstice, in Sec. 201(c)(2) of the Social Security Act under 42USC§401(c)(2) and Sec. 1161 of the Social Security Act under 42USC§1320c-10. The due date of the Annual Report shall be amended from April 1 to June 20-21, the summer solstice, in Sec. 201(c)(2) of the Social Security Act under 42USC§401(c)(2) and Sec. 1161 of the Social Security Act under 42USC§1320c-10.