



AMERICANS *for* TAX REFORM

December 7, 2011

The Honorable Jeffrey M. Landry
U.S. House of Representatives
Washington, DC 20515

Dear Representative Landry:

On behalf of Americans for Tax Reform, I am pleased to support H.R. 3551, a bill that would create an opt-in measure for the Payroll Tax Holiday.

The current debate over the payroll tax cut forces Congress to choose between two unacceptable options: taking money away from working families or eroding the strength of Social Security. The “SSPICE Act” resolves this problem by allowing employees to decide themselves whether they wish to lower their tax payments by extending their working years, or to pay a higher rate now and claim their benefits earlier.

H.R. 3551 is a democratic means of allowing workers to keep their earnings without further undermining the solvency of Social Security. Under this law, employees will choose annually whether to accept the tax holiday or to pay the tax up front. Those that take the tax holiday will have their retirement age extended by one month, which will offset the amount that would have been paid into the Social Security fund. Those who choose not to take the tax cut will maintain their current retirement age.

Not only does this measure resolve the current dilemma in Congress, it also helps to shore up Social Security over the long-term by decreasing its unfunded liabilities. The Social Security Administration’s Chief Actuary has concluded that the SSPICE Act would reduce unfunded obligations in Social Security by \$2.1 trillion. This makes the act a sound way to bolster Social Security without more taxpayer dollars and without deferring the benefits of those who cannot afford it.

I urge all Members of Congress to co-sponsor H.R. 3551.

Sincerely,

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