

In Congress, Kim Schrier co-sponsored tax legislation that could cost the country nearly 19 trillion dollars and would raise payroll taxes for all working Americans by almost 20%.

BACKUP:

In 2019, Kim Schrier co-sponsored H.R. 860, the Social Security 2100 Act:

- H.R. 860 was introduced by Rep. John Larson on January 30, 2019. ([H.R. 860](#), Introduced 1/30/19)
- Kim Schrier co-sponsored H.R. 860. ([H.R. 860](#), Introduced 1/30/19)

According to a report by the Social Security Administration, H.R. 860 was projected to cost nearly \$19 trillion over 75 years:

- The Chief Actuary Social Security Administration estimated that there would be a \$18.9 trillion net increase in revenue, primarily coming from additional payroll tax. “For the 75-year (long-range) period as a whole, the current-law unfunded obligation of \$13.2 trillion is replaced by a positive trust fund reserve of \$2.1 trillion in present value assuming enactment of the proposal. This change of \$15.3 trillion results from: A \$18.9 trillion net increase in revenue (column 2), primarily from additional payroll tax...” ([Social Security Administration](#), Letter to Rep. John Larson, Senator Van Hollen & Senator Blumenthal, 1/30/19)

According to a report from the Joint Committee on Taxation, the bill would subject workers with poverty-level earnings to a tax increase of nearly 1,000 percent over the next ten years:

- According to the Department of Health and Human Services, the poverty guideline for a single person in 2020 was up to \$12,760 annually. ([Department of Health and Human Services](#), 2020 Federal Poverty Guideline, 1/15/20)

2020 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
PERSONS IN FAMILY/HOUSEHOLD	POVERTY GUIDELINE
For families/households with more than 8 persons, add \$4,480 for each additional person.	
1	\$12,760
2	\$17,240
3	\$21,720
4	\$26,200
5	\$30,680
6	\$35,160
7	\$39,640
8	\$44,120

([Department of Health and Human Services](#), 2020 Federal Poverty Guideline, 1/15/20)

- According to the Department of Health and Human Services, the poverty guideline for a two-person household in 2020 was up to \$17,240 annually. ([Department of Health and Human Services](#), 2020 Federal Poverty Guideline, 1/15/20)

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([Department of Health and Human Services](#), 2020 Federal Poverty Guideline, 1/15/20)

- According to the Department of Health and Human Services, the poverty guideline for a three person household in 2020 was up to \$21,720 annually. ([Department of Health and Human Services](#), 2020 Federal Poverty Guideline, 1/15/20)

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- For calendar year 2029, federal taxes for the \$10,000-\$20,000 income level are estimated to increase by 2.535 billion or 958.4 percent.

Calendar Year 2029								
INCOME CATEGORY (2)	CHANGE IN FEDERAL TAXES (3)		FEDERAL TAXES (3) UNDER PRESENT LAW		FEDERAL TAXES (3) UNDER PROPOSAL		Average Tax Rate (4)	
	Millions	Percent	Billions	Percent	Billions	Percent	Present Law	Proposal
Less than \$10,000.....	\$693	182.6%	\$0.4	(5)	\$1.1	(5)	0.4%	1.2%
\$10,000 to \$20,000.....	\$2,535	958.4%	\$0.3	(5)	\$2.8	0.1%	0.1%	0.8%
\$20,000 to \$30,000.....	\$3,511	8.6%	\$41.0	0.8%	\$44.5	0.9%	6.0%	6.6%
\$30,000 to \$40,000.....	\$3,533	5.0%	\$71.0	1.4%	\$74.5	1.4%	8.9%	9.4%
\$40,000 to \$50,000.....	\$2,954	2.8%	\$105.7	2.1%	\$108.7	2.1%	11.5%	11.8%
\$50,000 to \$75,000.....	\$393	0.1%	\$374.8	7.4%	\$375.2	7.2%	14.3%	14.4%
\$75,000 to \$100,000.....	-\$5,475	-1.4%	\$393.4	7.8%	\$387.9	7.4%	16.6%	16.4%
\$100,000 to \$200,000.....	-\$7,535	-0.5%	\$1,424.2	28.1%	\$1,416.7	27.1%	20.4%	20.4%
\$200,000 to \$500,000.....	\$28,406	2.3%	\$1,234.4	24.3%	\$1,262.8	24.2%	26.3%	27.0%
\$500,000 to \$1,000,000..	\$32,108	7.4%	\$434.1	8.6%	\$466.3	8.9%	30.8%	33.4%
\$1,000,000 and over.....	\$93,321	9.4%	\$991.2	19.5%	\$1,084.5	20.8%	31.6%	35.0%
Total, All Taxpayers.....	\$154,443	3.0%	\$5,070.4	100.0%	\$5,224.8	100.0%	21.1%	21.8%

Source: Joint Committee on Taxation
Detail may not add to total due to rounding.

(Joint Committee on Taxation, [Letter to Rep. Kevin Brady](#), 7/22/19)

According to a report from The Heritage Foundation, the bill would raise payroll taxes by nearly 20 percent for all workers:

Editor's Note: For someone making \$50,000 in an annual salary, their contribution would increase from \$3,100 per year to \$3,700 per year, a \$600 increase.

- Beginning in 2020, all workers combined Old Age and Survivors and Disability Insurance (OSADI) would rise by 0.1 percentage points per year until 2043, going from 12.4 percent to 14.8 percent, a nearly 20 percent increase. “Beginning in 2020, all workers’ combined OASDI payroll tax rate—currently at 12.4 percent—would rise by 0.1 percentage points per year until reaching 14.8 percent in 2043. Once fully phased in, it

would amount to an additional \$1,200 per year, or \$7,400 total, in Social Security taxes for any worker who earns \$50,000 per year.” (Rachel Greszler & Drew Gonshorowski, “The Personal and Fiscal Impact of the Social Security 2100 Act,” [The Heritage Foundation](#), 6/11/19)

According to a report from the Joint Committee on Taxation, The Social Security 2100 Act would raise \$1.3 trillion in new payroll taxes over the next 10 years:

Editor’s Note: The additional \$868.2 billion plus \$473.6 billion in new tax revenue on payroll taxes amounts to \$1.341 trillion.

- According to a report from the Joint Committee on Taxation, The Social Security 2100 Act would raise \$868.2 billion in new OASDI taxes applied to earnings over \$400,000.

Item	Fiscal Years [Billions of Dollars]											
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2020-24	2020-29
Taxation of Social Security Benefits [1].	-1.7	-34.2	-36.5	-39.0	-41.5	-44.1	-47.3	-59.0	-62.3	-65.6	-152.9	-431.2
OASDI taxes applied to earnings over \$400,000 [1].....	21.6	71.7	77.0	81.9	87.3	93.7	99.4	105.0	111.8	118.9	339.5	868.2
Annual increase in OASDI tax rate by 0.1 percentage point [1].....	7.6	12.8	21.0	29.8	39.3	49.6	60.2	71.5	84.1	97.6	110.5	473.6

([Joint Committee on Taxation](#), Letter to Rep. Kevin Brady, 5/23/19)

- According to a report from the Joint Committee on Taxation, The Social Security 2100 Act would raise an additional \$473.6 billion in revenue from annual increases in the OASDI tax rate.

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([Joint Committee on Taxation](#), Letter to Rep. Kevin Brady, 5/23/19)

The Social Security 2100 Act would result in lifetime tax increases for all individuals:

- **According to a report from the Heritage Foundation, under the Social Security 2100 Act, all individuals would begin paying higher payroll taxes the following year.** “Under the Social Security 2100 Act, all individuals would begin paying higher payroll taxes next year. Although the taxes would phase in slowly over time, they would nonetheless result in significant lifetime tax increases.” (Rachel Greszler & Drew Gonshorowski, “The Personal and Fiscal Impact of the Social Security 2100 Act,” [The Heritage Foundation](#), 6/11/19)

While all income groups would receive higher benefits under the bill, the highest-income earners would receive some of the largest benefit increases:

- **The highest-income earners would receive some of the largest benefit increases under the Social Security 2100 Act.** “All income groups would receive higher benefits, but the highest-income earners would receive some of the largest benefit increases. A worker with average earnings of \$30,000 would receive \$333 more per year, while someone with average earnings of \$1,000,000 would receive \$12,333 more per year.” (Rachel Greszler & Drew Gonshorowski, “The Personal and Fiscal Impact of the Social Security 2100 Act,” [The Heritage Foundation](#), 6/11/19)