

Congressman Ron Paul U.S. House of Representatives May 22, 2002

Stop Taxing Social Security Benefits!

Mr. Speaker, I am pleased to commemorate Older Americans Month by introducing two pieces of legislation to reduce taxes on senior citizens. The first bill, the Social Security Beneficiary Tax Reduction Act, repeals the 1993 tax increase on Social Security benefits. Repealing this increase on Social Security benefits is a good first step toward reducing the burden imposed by the federal government on senior citizens. However, imposing any tax on Social Security benefits is unfair and illogical. This is why I am also introducing the Senior Citizens' Tax Elimination Act, which repeals all taxes on Social Security benefits.

Since Social Security benefits are financed with tax dollars, taxing these benefits is yet another example of double taxation. Furthermore, "taxing" benefits paid by the government is merely an accounting trick, a shell game which allows members of Congress to reduce benefits by subterfuge. This allows Congress to continue using the Social Security trust fund as a means of financing other government programs, and masks the true size of the federal deficit.

Instead of imposing ridiculous taxes on senior citizens, Congress should ensure the integrity of the Social Security trust fund by ending the practice of using trust fund monies for other programs. In order to accomplish this goal I introduced the Social Security Preservation Act (H.R. 219), which ensures that all money in the Social Security trust fund is spent solely on Social Security. At a time when Congress' inability to control spending is once again threatening the Social Security trust fund, the need for this legislation has never been greater. When the government taxes Americans to fund Social Security, it promises the American people that the money will be there for them when they retire. Congress has a moral obligation to keep that promise.

In conclusion, Mr. Speaker, I urge my colleagues to help free senior citizens from oppressive taxation by supporting my Senior Citizens' Tax Elimination Act and my Social Security Beneficiary Tax Reduction Act. I also urge my colleagues to ensure that moneys from the Social Security trust fund are used solely for Social Security benefits and not wasted on frivolous government programs.