



## AMAC Action Recommendation for Improving Social Security during the COVID-19 Pandemic

*Many current seniors were negatively impacted by the Great Recession, a second recession could have a major impact on seniors relying on Social Security*

Seniors are not only at risk of contracting coronavirus, but as many are on fixed incomes, they are also economically at risk during the financial recovery. AMAC recommends Congress ensure seniors are protected financially during the coming recovery.

1. **Guarantee a minimum Social Security cost of living adjustment for 2021 and beyond:** The slow economic growth during and immediately after the Great Recession prevented Social Security beneficiaries from receiving a cost of living adjustment (COLA). In 2009, 2010, and 2015 seniors received zero COLA and in 2016 the COLA was only .3 percent, largely caused by falling oil prices similar to our current situation. A zero or near zero COLA will not offset rising costs including long-term care, prescription drugs, and housing. Congress should guarantee a tiered minimum COLA for Social Security recipients for 2021 and beyond, based on MAGI to ensure the lower income beneficiaries with greater need are helped, not by a one-size-fits-all CPI formula.
2. **Stop Taxing Social Security Benefits:** Congress should enact the bipartisan Senior Citizens Tax Elimination Act, H.R. 3971. Because Social Security benefits are the proceeds of already taxed income, Congress should assist middle-class seniors by eliminating the unjust double-tax on Social Security benefits. Taxing benefits created from already taxed funds is nonsensical and erodes retirement benefits seniors have been promised. Seniors deserve to reap the full benefits of their hard work from career-long contributions to Social Security and the Railroad Retirement Plan.

The Senior Citizens Tax Elimination Act will amend the Internal Revenue Code of 1986 to remove the inclusion of tier I railroad retirement benefits and Social Security benefits in an individual's gross income, the limits for which are not adjusted for inflation and which now ensnare more than half of all Social Security recipients. As this legislation takes effect, seniors will notice their tax liability is significantly reduced. Seniors will no longer be burdened with the "double tax" on their federally earned benefits.

3. **Protect Social Security benefits from federal governmental garnishment:** Social Security benefits are off limits to nearly all creditors, but not the federal government. Fortunately, the Department of Education has suspended such actions regarding student loan defaults. Beyond that, however, the government can garnish Social Security benefits for certain debts, including court-ordered child support or alimony, or for debts owed to the government. For many seniors, their monthly Social Security check is both a critical part of, and indeed the safety net, of their income and financial situation. These benefits must be protected permanently from garnishment by any party, including the federal government.

In the past, seniors have been affected by economic downturns overwhelmingly more than others due their fixed incomes. Congress must act to prevent history from repeating itself.

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The 2.1-million-member *Association of Mature American Citizens (AMAC)* [[www.amac.us](http://www.amac.us)] is a vibrant, vital senior advocacy organization that takes its marching orders from its members. AMAC acts and speaks on members' behalf, protecting their interests and offering a practical insight on how to best solve the problems they face today. AMAC Action is a 501(c)(4) nonprofit advocacy organization created to assist AMAC members with grassroots participation on Capitol Hill and at the local level through our advocacy programs.