

## Simple Truths About Social Security

### **1. Social Security is a social contract, not a Ponzi scheme and not an “entitlement.”**

Social Security is a promise, a contract between American workers and our government that has improved American lives since 1935. Unlike a Ponzi scheme, which relies on deception and unsustainable returns, Social Security is fully transparent, legally mandated, and financially sound. It's not a handout or a benefit people receive without paying in. Workers earn these benefits by contributing to the system throughout their careers.

### **2. It is a worker-funded program.**

Every paycheck we earn includes a mandatory contribution to Social Security—6.2% from employees and another 6.2% from employers, up to a certain income limit. These contributions fund current retirees' benefits, and when we retire, the next generation of workers will help fund ours. It's a generational compact that has successfully provided financial stability for millions of seniors, disabled Americans, and surviving family members for almost a century.

### **3. Social Security is not going bankrupt.**

As of December 31, 2024, the Social Security Trust Fund had a surplus of approximately \$2.5 trillion. This fund has been built over decades to ensure retirees receive full benefits even as the population ages. According to projections, that surplus is sufficient to pay 100% of promised retirement benefits through the year 2035.

### **4. After 2035, benefits will not disappear.**

Even if no changes are made, Social Security will still be able to pay roughly 80% of benefits from ongoing payroll contributions alone. That's because the system will continue to collect revenue from working Americans. It's not a cliff—it's a gap that policymakers can and should address.

### **5. The solution is straightforward.**

The most effective and equitable way to strengthen Social Security for future generations is to raise—or eliminate—the **payroll tax cap**. As of 2025, only income up to \$176,100 is subject to Social Security tax. That means someone making \$1 million per year only pays into the system for about two months of the year while everyone making less than \$176,000 pays into the system every month of the year. Lifting this cap so that higher earners contribute a fairer share would close the long-term shortfall without reducing benefits or raising the retirement age.

### **6. Social Security is vital to American families.**

Social Security provides more than just retirement income. critical support to widows, children, and people with disabilities. For a majority of seniors, it is their [primary](#)—and in some or only—source of income. Undermining it would have devastating consequences for millions of Americans who rely on these earned benefits to live with dignity.

### **7. Social Security is not riddled with fraud, but Trump and Musk are using that Big Lie to deprive Americans of their benefits.**

The greatest threat to Social Security is not insolvency but changes that disproportionately affect the most vulnerable Americans. Requiring beneficiaries to visit Social Security offices to change their address or bank account, something that previously could

be done by telephone, will affect Americans who are disabled or in poor health or live in areas where the Social Security office has been closed.