

# FRIDAY ALERT



**Alliance for Retired Americans**

815 16th Street, NW, Fourth Floor • Washington, DC 20006 • 202.637.5399

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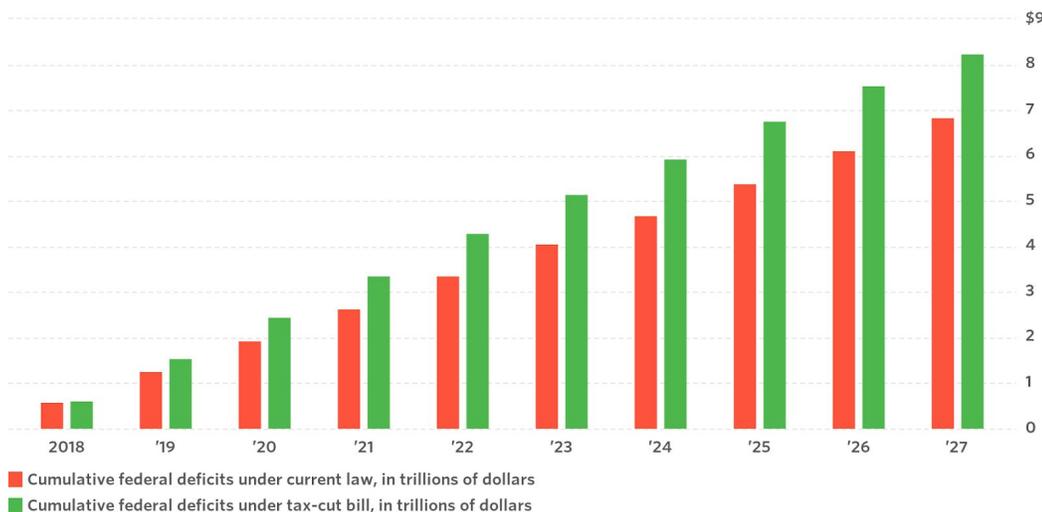
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September 21, 2018

## Administration Calls Again for Cuts to “Entitlements” to Cover Deficits Caused by Massive GOP Tax Cuts for Wealthy and Corporations

One of the President’s top economic advisors, **Larry Kudlow**, [blamed](#) rising deficits on “entitlement” spending Monday, and not on the GOP-led tax cuts enacted this year. As a result, Kudlow said that there will likely be an effort to cut so-called entitlement spending in 2019.

### Tax cuts would add \$1.4 trillion to deficits



Source: CBO

“We have to be tougher on spending,” Kudlow said in remarks to the Economic Club of New York. He went on to encourage Congress to make the administration’s newest round of tax cuts permanent, saying that they would be a “good message” ahead of the midterm elections. Kudlow disagreed with

economic [reports and forecasts](#) that increased tax cuts would only make the budget deficit crisis worse.

Kudlow is at least the third powerful Republican in just the last month to call for spending cuts to earned benefit programs, following [Kevin Hassett](#), chairman of the White House Council of Economic Advisers, and Rep. **Steve Stivers** of Ohio, House Republican Campaign Chair. Stivers said in a [recent interview](#) that Congress must “deal with some of our spending” to make up for the growing deficit, and echoed House Speaker **Paul Ryan**’s sentiment that Medicare and Social Security represent the biggest spending issues.

“Tax cuts for the wealthiest 1% and corporations helped push the federal deficit over \$1 trillion this year, not Social Security or Medicare,” said Alliance Executive Director **Richard Fiesta**. “We

refuse to let the administration falsely blame the rising debt on retirees' hard earned benefits and we will resist any cuts with every fiber of our being.”

## The Vanishing Tax Cut: IRS Warns Retirees May Get a Tax Surprise

The IRS urges all retirees to do a [paycheck checkup](#) to ensure that they are paying enough taxes, especially on their pension benefits. The GOP tax scam passed late last year changed the way that income taxes are collected for most Americans, including seniors. Now, retirees who receive benefits from a pension or annuity may need to increase the amount they pay in taxes on that income throughout the year to avoid owing money to the government when they file their 2018 returns.

The IRS suggests using its [Withholding Calculator](#) tool to calculate tax payments for seniors receiving pensions or annuities. The tool should also be used for workers who choose not to have taxes withheld from their paychecks or benefits, in order to estimate their quarterly tax payments. When using the tool, the IRS instructs seniors to treat pension benefits like income from a job and to have a copy of last year's tax return handy.

“All retirees with pension or annuity benefits are advised to do a paycheck checkup as soon as possible, to avoid owing extra payments down the line,” stressed Alliance President **Robert Roach, Jr.**

If you would like to change your withholding amount, you can fill out a form [W-4P form](#). The IRS recommends submitting withholding changes as soon as possible. Due to the limited time left in the year, it may be difficult for some retirees to adequately address a tax liability through withholding changes, in which case a taxpayer could instead make an estimated or additional tax payment directly to the IRS. Congressional auditors recently reported that more than [30 million](#) taxpayers will have to pay extra taxes next spring, a result of employers under-withholding taxes from paychecks. Because of employers' relying on inaccurate reporting tables and promises made by the administration, at least three million of those workers are directly affected by the tax scam.

## Colorado, Ohio Alliance Chapters Hold Conventions



The Colorado Alliance gathered in Denver on September 13 for their convention. Speakers included **Dianne Primavera**, candidate for Lieutenant Governor, and **Jason Crow**, candidate to represent Colorado's sixth congressional district in the U.S. House.

Attendees re-elected **Allen Weisheit** as Treasurer and **Carolyn Boller** as Executive Vice President of the Colorado chapter.

From the left: Allen Weisheit, Treasurer; Ed Augden, President; Jason Crow, Candidate for the U.S. House, and Bob Knapp, Secretary



The Ohio Alliance held its annual convention on September 11. With a theme of “elections have consequences and issues matter,” the program began with a panel of leaders discussing their outreach campaign on retirement security issues. **Rob Richardson**, a candidate for Ohio Treasurer, spoke about his labor roots and vision to protect taxpayer revenue for services and public worker retirement investments.

**Tim Burga**, Ohio AFL-CIO President, urged engagement in "Taking Back Ohio for Ourselves, our Children and Grandchildren" by knocking on doors and making phone calls. **Keary McCarthy** of Innovation Ohio and **Hannah Halbert** of Policy Matters Ohio discussed an agenda to revitalize the Ohio economy. Attendees passed resolutions protecting pensions and investing in infrastructure that were to be submitted to the Ohio AFL-CIO convention.

### Speakers Announced for the Alliance's 2018 National Membership Meeting in Las Vegas

Please join us at the Alliance for Retired Americans' quadrennial [National Membership Meeting](#) on November 13-15, 2018 at the Flamingo Hotel in Las Vegas. Attendees will participate in workshops, vote on resolutions, elect Alliance officers and at-large board members, and network with other retiree activist leaders. During the Awards Banquet luncheon, we will recognize outstanding work done by state Alliances and activists.

The meeting will feature notable guest speakers, including **Nancy Altman** and **David Cay Johnston**. Altman, a well known Social Security expert, serves as the president of Social Security Works and recently wrote her third book on the program. Johnston, a pensions and tax expert, is famous for books including *Perfectly Legal: The Covert Campaign to Rig Our Tax System to Benefit the Super Rich — and Cheat Everybody Else*, and for his work covering the President's tax returns. A Pulitzer Prize winning investigative journalist, Johnston regularly appears on MSNBC's Rachel Maddow Show.

You can download a registration form [here](#) or [register for the meeting online](#). The deadline to register for the meeting is October 11, 2018, and hotel reservations must be made by October 23, 2018. For more details, please email **Joni Jones** at [jjones@retiredamericans.org](mailto:jjones@retiredamericans.org).

“Informed advocates are the best defense against cuts to our earned benefits, including Social Security, Medicare and pensions,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance.