

News
From

CONGRESSMAN

Nick Rahall

FOR IMMEDIATE RELEASE
January 13, 1978

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WEST VIRGINIA 4th DISTRICT

Huntington, West Virginia --- "The neglect and poor administration of the Social Security trust fund in the past, brought the need for an increase in social security taxes," said Fourth District Congressman Nick J. Rahall.

Rahall's remarks came in a speech before the West Virginia Society of Professional Engineers in Huntington. The meeting was held at noon at the Elks Club.

"Those who headed up the Social Security system from its' beginning, never adequately prepared the system for the increased population and ever-rising inflation," Rahall pointed out. "It was inevitable that a tax increase had to come about."

"No one likes tax increases," Congressman Rahall said, "but if Americans expected to continue to receive social security benefits in the coming years, action was needed."

Congressman Rahall pointed out that the legislation passed by Congress and signed into law by President Carter, does not go into operation until January of 1979. "The slight tax increase in Social Security tax that individuals will see this year, is the result of a law passed years ago." Rahall said.

Rahall observed that, "By the time the new social security law begins, Congress will have acted on a radical new tax reform package that will mean tax cuts totalling \$23 billion dollars for the individual taxpayers." President Carter is expected to release his tax proposals early this year.

Rahall pointed out that the new Social Security tax rate will mean only a \$20 dollar increase for the average wage earner. Congressman Rahall also said that, "In addition to assuring the future financial stability of the social security system, the new law provides recipients over 65 with an increase in the amount of extra earned income. "In the past the limitation was \$3,000, now Congress has increased to limit to \$4,000, with the limit going as high as \$6,000 in 1983," Rahall stated.