



## United States Senate

September 16, 2020

The Honorable Dr. Mark T. Esper  
Secretary of Defense  
1000 Defense Pentagon  
Washington, DC 20301

Dear Secretary Esper,

I write to express my concern about the Trump administration's payroll tax deferral program and the confusion it will likely cause for Department of Defense service members, civilians, and their families. I urge you to allow DOD service members and civilians to opt out of the tax-deferral option and to ensure that all service members whose taxes are deferred are fully aware that those taxes will need to be repaid in 2021.

Unless Congress changes the law, any deferred Social Security withholding must be repaid. As a result, military families will be forced to withhold twice their usual payroll taxes from January 1, 2020, through April 2020. For a young military family whose biweekly pay is \$3,306.30, they may see a \$204.99 monthly net increase through the end of this calendar year as a result of reduced payroll tax withholdings. However, starting next year, their paychecks would decrease by twice that amount to make up the deferred taxes, according to a September 10, 2020, Defense Department press release.

Recently, President Trump pledged that service members will not be required to repay the extra money from the payroll tax deferral program if he is re-elected. However, this is a promise likely to confuse many service members since only Congress can decide whether the deferred taxes can be forgiven. Due to these conflicting messages, I urge you to provide clear guidance to all Defense Department employees and allow them to opt out of this program.

I appreciate your attention to this matter, and please let me know if I can be of any assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dianne Feinstein".

Dianne Feinstein  
United States Senator

DF/rgb

WASHINGTON, DC 20510-0504

<http://feinstein.senate.gov>