

The US Government is Going After Your Retirement Funds...

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We have warned subscribers and listeners and those on the Internet over and over again that government was going to come after your private retirement funds including 401K's and IRA's that hold \$6.6 trillion in investments.

This past week in a grand deficit cutting bargain the Senate Finance Committee explored "Tax Reform Options Promoting Retirement Security." The excuse is to make 401K plans more efficient; to keep Social Security afloat and to switch funds from these retirement plans to be used elsewhere by government. It is called a looting procedure.

The idea is to replace the 401K with a tax break that would allow government to offer bigger benefits to low earners and changes in withdrawal choices at retirement. It would include a change in the way Social Security benefits are calculated to reduce eventual payout and subsidize the poor via a government guaranteed annuity. There would also be an increase in the retirement age. This approach is similar to something you would find in the communist manifesto. Take from the bigger producers to subsidize the lesser producers. Each according to his ability and each according to his means.

We are told Social Security will be out of funds in 2036, which is untrue and the Congress does not mention that the trust fund has been looted since June of 1935. All that is left are worthless bonds. T

Those that read the Act will find that if government does not have the funds for Social Security they must sell bonds to fund any shortfalls. This fact is, of course, ignored by the Congress and the person who calls himself president. They are more interested in loophole-closing rate-lowering tax reform, which are code words to cut current Social Security income and transfer those funds to other pet socialist projects, that government deems more important. The Congress could care less that you paid taxes for a lifetime for this payout, and it is not a benefit, because you paid for it, and have your benefits shifted to those on lower income brackets or to pet socialist projects. What upsets the government is that the tax break for defined contribution retirement plans is that it will cost the Treasury \$212.2 billion between 2010 and 2014. What really galls them is that 80% of the payout goes to the top 20% of earners and they want those funds to be redistributed to the less fortunate, to offset debt or to be applied in other socialized areas. One of the proposals is to roll back the current \$16,500 annual 401K tax deferred contribution to a level of \$10,500. If this is followed government would capture \$450 billion in additional tax revenue, and low-income workers would not be affected. We suggest congress change the law and tax the \$2.2 trillion parked offshore in tax havens at 35% and bring in revenue of \$800 billion or more and to keep that revenue stream going. That means only \$1 trillion would have to be cut from

military spending and we'd have a balanced budget. That would be just too simple and it might upset the transnational conglomerates and the military industrial complex.

Needless to say, Americans would stop saving conventionally and purchase gold and silver related assets that have appreciated more than 20% annually for the past 11-1/2 years. These changes would render 401Ks and IRAs redundant. The incentive would be gone and all those funds might not be available to the government for redistribution to low-income citizens.

The bottom line is the government wants your retirement and more taxes. Private annuities could face insurance company collapse if the Dow went to 3 or 4,000 and of course the government is insolvent. For current retirees there has been no COLA increase as inflation has ranged from 5% to 11.2% and by the looks of it the CPI will be rigged lower again, so there never will be an adjustment in payout. The latest is a chained CPI, which would further lower benefits.

This is the brave new world planned by your masters. You people should smarten up and dump your retirement plans now. Stop being seduced by the tax breaks or shelter and run your own savings away from the clutches of government. If you don't you could end up losing it all.

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