

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 314

To amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 1993

Mr. QUILLEN introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Social Security Earn-  
5 ings Test Repeal Act of 1993”.

1 **SEC. 2. REPEAL OF PROVISIONS RELATING TO DEDUC-**  
2 **TIONS ON ACCOUNT OF WORK.**

3 (a) IN GENERAL.—Subsections (b), (c)(1), (d), (f),  
4 (h), (j), and (k) of section 203 of the Social Security Act  
5 (42 U.S.C. 403) are repealed.

6 (b) CONFORMING AMENDMENTS.—Section 203 of  
7 such Act (as amended by subsection (a)) is further amend-  
8 ed—

9 (1) in subsection (c), by redesignating such sub-  
10 section as subsection (b), and—

11 (A) by striking “Noncovered Work Outside  
12 the United States or” in the heading;

13 (B) by redesignating paragraphs (2), (3),  
14 and (4) as paragraphs (1), (2), and (3), respec-  
15 tively;

16 (C) by striking “For purposes of para-  
17 graphs (2), (3), and (4)” and inserting in lieu  
18 thereof “For purposes of paragraphs (1), (2),  
19 and (3)”; and

20 (D) by striking the last sentence;

21 (2) in subsection (e), by redesignating such sub-  
22 section as subsection (c), and by striking “sub-  
23 sections (c) and (d)” and inserting “subsection (b)”;

24 (3) in subsection (g), by redesignating such  
25 subsection as subsection (d), and by striking “sub-

1 section (c)” each place it appears and inserting  
2 “subsection (b)”;

3 (4) in subsection (i), by redesignating such sub-  
4 section as subsection (e), and by striking “sub-  
5 section (b), (c), (g), or (h)” and inserting “sub-  
6 section (b) or (d)”;

7 (5) in subsection (l), by redesignating such sub-  
8 section as subsection (f), and by striking “subsection  
9 (g) or (h)(1)(A)” and inserting “subsection (d)”.

10 **SEC. 3. ADDITIONAL CONFORMING AMENDMENTS.**

11 (a) PROVISIONS RELATING TO BENEFITS TERMI-  
12 NATED UPON DEPORTATION.—Section 202(n)(1) of the  
13 Social Security Act (42 U.S.C. 402(n)(1)) is amended by  
14 striking “Section 203 (b), (c), and (d)” and inserting  
15 “Section 203(b)”.

16 (b) PROVISIONS RELATING TO EXEMPTIONS FROM  
17 REDUCTIONS BASED ON EARLY RETIREMENT.—

18 (1) Section 202(q)(5)(B) of such Act (42  
19 U.S.C. 402(q)(5)(B)) is amended by striking “sec-  
20 tion 203(c)(2)” and inserting “section 203(b)(1)”.

21 (2) Section 202(q)(7)(A) of such Act (42  
22 U.S.C. 402(q)(7)(A)) is amended by striking “de-  
23 ductions under section 203(b), 203(c)(1), 203(d)(1),  
24 or 222(b)” and inserting “deductions on account of

1 work under section 203 or deductions under section  
2 222(b)''.

3 (c) PROVISIONS RELATING TO EXEMPTIONS FROM  
4 REDUCTIONS BASED ON DISREGARD OF CERTAIN ENTI-  
5 TLEMENTS TO CHILD'S INSURANCE BENEFITS.—

6 (1) Section 202(s)(1) of such Act (42 U.S.C.  
7 402(s)(1)) is amended by striking "paragraphs (2),  
8 (3), and (4) of section 203(c)" and inserting "para-  
9 graphs (1), (2), and (3) of section 203(b)".

10 (2) Section 202(s)(3) of such Act (42 U.S.C.  
11 402(s)(3)) is amended by striking "The last sen-  
12 tence of subsection (c) of section 203, subsection  
13 (f)(1)(C) of section 203, and subsections" and in-  
14 serting —"Subsections".

15 (d) PROVISIONS RELATING TO SUSPENSION OF  
16 ALIENS' BENEFITS.—Section 202(t)(7) of such Act (42  
17 U.S.C. 402(t)(7)) is amended by striking "Subsections  
18 (b), (c), and (d)" and inserting "Subsection (b)".

19 (e) PROVISIONS RELATING TO BENEFITS INCREASED  
20 ON ACCOUNT OF DELAYED RETIREMENT.—Section  
21 202(w)(2)(B)(ii) of such Act (42 U.S.C. 402(w)(2)(B)(ii))  
22 is amended by striking "or 203(c)".

23 (f) PROVISIONS RELATING TO REDUCTIONS IN BEN-  
24 EFITS BASED ON MAXIMUM BENEFITS.—Section  
25 203(a)(3)(B)(iii) of such Act (42 U.S.C.

1 403(a)(3)(B)(iii)) is amended by striking “and subsections  
2 (b), (c), and (d)” and inserting “and subsection (b)”.

3 (g) PROVISIONS RELATING TO PENALTIES FOR MIS-  
4 REPRESENTATIONS CONCERNING EARNINGS FOR PERI-  
5 ODS SUBJECT TO DEDUCTIONS ON ACCOUNT OF WORK.—  
6 Section 208(a)(1)(C) of such Act (42 U.S.C.  
7 408(a)(1)(C)) is amended by striking “under section  
8 203(f) of this title for purposes of deductions from bene-  
9 fits” and inserting “under section 203 for purposes of de-  
10 ductions from benefits on account of work”.

11 (h) PROVISIONS TAKING INTO ACCOUNT EARNINGS  
12 IN DETERMINING BENEFIT COMPUTATION YEARS.—  
13 Clause (I) in the next to last sentence of section  
14 215(b)(2)(A) of such Act (42 U.S.C. 415(b)(2)(A)) is  
15 amended by striking “no earnings as described in section  
16 203(f)(5) in such year” and inserting “no wages, and no  
17 net earnings from self-employment (in excess of net loss  
18 from self-employment), in such year”.

19 (i) PROVISIONS RELATING TO ROUNDING OF BENE-  
20 FITS.—Section 215(g) of such Act (42 U.S.C. 415(g)) is  
21 amended by striking “and any deduction under section  
22 203(b)”.

23 (j) PROVISIONS RELATING TO EARNINGS TAKEN  
24 INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL  
25 ACTIVITY OF BLIND INDIVIDUALS.—The second sentence

1 of section 223(d)(4) of such Act (42 U.S.C. 423(d)(4))  
2 is amended by striking “the exempt amount under section  
3 203(f)(8) which is applicable to individuals described in  
4 subparagraph (D) thereof” and inserting the following:  
5 “an amount equal to the exempt amount which would have  
6 been applicable under section 203(f)(8), to individuals de-  
7 scribed in subparagraph (D) thereof, if subsections (b)  
8 through (l) of section 203, as in effect for taxable years  
9 ending before the date of the enactment of the Social Se-  
10 curity Earnings Test Repeal Act of 1993, had remained  
11 in effect through the month in which such earnings were  
12 derived”.

13 (k) PROVISIONS DEFINING INCOME FOR PURPOSES  
14 OF SSI.—Section 1612(a) of such Act (42 U.S.C.  
15 1382a(a)) is amended—

16 (1) by striking “as determined under section  
17 203(f)(5)(C)” in paragraph (1)(A) and inserting “as  
18 defined in the last two sentences of this subsection”;

19 and

20 (2) by adding at the end (after and below para-  
21 graph (2)(F)) the following new sentences:

22 “For purposes of paragraph (1)(A), the term ‘wages’  
23 means wages as defined in section 209, but computed  
24 without regard to the limitations as to amounts of remu-  
25 nation specified in subsections (a), (g)(2), (g)(3), (h)(2),

1 and (j) of such section. In making the computation under  
2 the preceding sentence, (A) services which do not con-  
3 stitute employment as defined in section 210, performed  
4 within the United States by an individual as an employee  
5 or performed outside the United States in the active mili-  
6 tary or naval services of the United States, shall be  
7 deemed to be employment as so defined if the remunera-  
8 tion for such services is not includible in computing the  
9 individual's net earnings or net loss from self-employment  
10 for purposes of title II, and (B) the term 'wages' shall  
11 be deemed not to include (i) the amount of any payment  
12 made to, or on behalf of, an employee or any of his or  
13 her dependents (including any amount paid by an em-  
14 ployer for insurance or annuities, or into a fund, to pro-  
15 vide for any such payment) on account of retirement, or  
16 (ii) any payment or series of payments by an employer  
17 to an employee or any of his or her dependents upon or  
18 after the termination of the employee's employment rela-  
19 tionship because of retirement after attaining an age spec-  
20 ified in a plan referred to in section 209(m)(2) or in a  
21 pension plan of the employer.'".

22 (I) REPEAL OF DEDUCTIONS ON ACCOUNT OF WORK  
23 UNDER THE RAILROAD RETIREMENT PROGRAM.—Section  
24 2 of the Railroad Retirement Act of 1974 (45 U.S.C.  
25 231a) is amended by striking subsections (f) and (g)(2).

1 **SEC. 4. EFFECTIVE DATE.**

2       The amendments and repeals made by this Act shall  
3 be effective with respect to taxable years ending on or  
4 after the date of the enactment of this Act.

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