

103^D CONGRESS
2^D SESSION

H. R. 3803

To amend the Internal Revenue Code of 1986 and the Social Security Act to reduce social security taxes and to provide for social security individual retirement accounts funded by social security payroll deductions.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 3, 1994

Mr. THOMAS of California introduced the following bill; which was referred jointly to the Committees on Ways and Means and Education and Labor

A BILL

To amend the Internal Revenue Code of 1986 and the Social Security Act to reduce social security taxes and to provide for social security individual retirement accounts funded by social security payroll deductions.

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 Individ-
5 ual Retirement Act of 1994”.

1 **SEC. 2. REDUCTION OF SOCIAL SECURITY TAXES.**

2 (a) TAX ON EMPLOYEES.—Subsection (a) of section
3 3101 of the Internal Revenue Code of 1986 (relating to
4 OASDI tax on employees) is amended—

5 (1) by striking the last item in the table and in-
6 serting the following:

“1990, 1991, 1992, 1993, or 1994	6.20 percent
“1995 or thereafter	6.06 percent;”;

7 and

8 (2) by adding after and below the table the fol-
9 lowing:

10 “except that, in the case of an eligible employee (as de-
11 fined in section 255(3) of the Social Security Act), the
12 rate of tax under this subsection shall be 0.0 percent with
13 respect to wages paid after December 31, 1994, for pay
14 periods ending after such date.”

15 (b) TAX ON EMPLOYERS.—Subsection (a) of section
16 3111 of such Code (relating to OASDI tax on employers)
17 is amended by striking the last item in the table and in-
18 serting the following:

“1990, 1991, 1992, 1993, or 1994	6.20 percent
“1995 or thereafter	6.06 percent.”

19 (c) SELF-EMPLOYMENT TAX.—Subsection (a) of sec-
20 tion 1401 of such Code (relating to OASDI tax on self-
21 employment income) is amended—

1 (1) by striking the last item in the table and in-
2 serting the following:

“December 31, 1989	January 1, 1994	12.40
“December 31, 1994	12.12;”

3 and

4 (2) by adding after and below the table the fol-
5 lowing:

6 “except that, in the case of an eligible self-employed indi-
7 vidual (as defined in section 255(4) of the Social Security
8 Act), the rate of tax under this subsection shall be 6.6
9 percent of the amount of the self-employment income in
10 the case of a taxable year after December 31, 1994.”

11 (d) EFFECTIVE DATES.—

12 (1) IN GENERAL.—Except as otherwise pro-
13 vided in this subsection, the amendments made by
14 this section shall apply to remuneration paid after
15 December 31, 1994.

16 (2) SELF-EMPLOYMENT TAX.—The amend-
17 ments made by subsection (c) shall apply to taxable
18 years beginning after December 31, 1994.

19 **SEC. 3. INDIVIDUAL RETIREMENT PROGRAM AND SOCIAL**
20 **SECURITY INDIVIDUAL RETIREMENT AC-**
21 **COUNTS.**

22 (a) IN GENERAL.—Title II of the Social Security Act
23 is amended—

1 (1) by inserting before section 201 the follow-
2 ing:

3 “PART A—INSURANCE BENEFITS”;

4 and

5 (2) by adding at the end the following new part:

6 “PART B—INDIVIDUAL RETIREMENT PROGRAM

7 “SOCIAL SECURITY PAYROLL DEDUCTION PLANS

8 “SEC. 251. (a) IN GENERAL.—Each person who is
9 a covered employer for a calendar year shall have in effect
10 a social security payroll deduction plan for such calendar
11 year for such person’s eligible employees.

12 “(b) REQUIREMENTS.—For purposes of this part, the
13 term ‘social security payroll deduction plan’ means a writ-
14 ten plan of an employer if—

15 “(1) the plan applies only with respect to wages
16 of eligible employees,

17 “(2) under such plan, the prescribed social se-
18 curity contributions will be deducted from the em-
19 ployee’s wages and paid to a social security individ-
20 ual retirement account designated in accordance
21 with section 252(a),

22 “(3) under such plan, the employer is required
23 to pay the amount so deducted to the specified social
24 security individual retirement account within 10

1 business days after the payment of the wages from
2 which the amount was deducted,

3 “(4) the employer receives no compensation for
4 the cost of administering such plan, and

5 “(5) in the case of a plan under which there is
6 more than 1 social security individual retirement ac-
7 count, the employer does not make any endorsement
8 with respect to any such accounts.

9 “(c) AMOUNTS DEDUCTED MAY BE ACCUMULATED
10 BY EMPLOYER IN CERTAIN CASES.—If, under the terms
11 of a social security individual retirement account des-
12 ignated under section 252(a), contributions below a speci-
13 fied amount will not be accepted, the requirements of sub-
14 section (b)(2) shall be treated as met if amounts deducted
15 from the wages of such employee are accumulated by the
16 employer and paid to such plan not later than 10 business
17 days after the first day on which the accumulated amount
18 exceeds such specified amount.

19 “DESIGNATION OF ACCOUNTS UNDER PAYROLL
20 DEDUCTION PLAN

21 “SEC. 252. (a) IN GENERAL.—Except as provided in
22 subsection (b), the social security individual retirement ac-
23 count to which the prescribed social security contributions
24 with respect to any employee are required to be paid under
25 section 251 shall be a social security individual retirement

1 account designated by the employee to the employer not
2 later than the later of—

3 “(1) 10 business days after the date on which
4 the employee becomes an employee of such employer,
5 or

6 “(2) December 31, 1994.

7 Any such designation shall be made in such form and
8 manner as may be prescribed in regulations of the Sec-
9 retary.

10 “(b) DESIGNATION IN ABSENCE OF TIMELY DES-
11 IGNATION BY EMPLOYEE.—In any case in which no timely
12 designation of the social security individual retirement ac-
13 count is made, the employer shall make the designation
14 of the social security individual retirement account in ac-
15 cordance with regulations of the Secretary.

16 “PARTICIPATION BY SELF-EMPLOYED INDIVIDUALS

17 “SEC. 253. (a) IN GENERAL.—Each eligible self-em-
18 ployed individual who receives self-employment income for
19 any taxable year beginning after December 31, 1994,
20 shall, in such form and manner as shall be prescribed in
21 regulations of the Secretary, deposit in a social security
22 individual retirement account maintained by such individ-
23 ual the prescribed social security contribution for such tax-
24 able year. Such deposit shall be made within 10 business
25 days after the receipt by such individual of such self-em-
26 ployment income.

1 made to the account pursuant to section 251 or 253
2 and transfers made to the account pursuant to sec-
3 tion 254.

4 “(2) COVERED EMPLOYER.—The term ‘covered
5 employer’ means, for any calendar year, any person
6 on whom an excise tax is imposed under section
7 3111 of the Internal Revenue Code of 1986 with re-
8 spect to having an individual in his employ to whom
9 wages are paid by such person during such calendar
10 year.

11 “(3) ELIGIBLE EMPLOYEE.—

12 “(A) IN GENERAL.—Subject to subpara-
13 graph (B), the term ‘eligible employee’ means,
14 in connection with any person who is a covered
15 employer for any calendar year, any individ-
16 ual—

17 “(i) with respect to whose employment
18 by such employer during such calendar
19 year there is imposed an excise tax under
20 section 3111 of the Internal Revenue Code
21 of 1986, and

22 “(ii) who, as of January 1, 1995, has
23 not been credited under part A with any
24 quarters of coverage (within the meaning
25 of section 213(a)(2)).

1 “(B) ELECTION OF PARTICIPATION.—

2 “(i) IN GENERAL.—The requirements
3 of subparagraph (A)(ii) shall be deemed
4 satisfied in the case of an individual who
5 does not otherwise meet such requirements
6 if such individual files with the employer
7 and the Secretary, in such form and man-
8 ner as shall be prescribed in regulations of
9 the Secretary, a written and signed dec-
10 laration of such individual’s intention to be
11 treated as an eligible employee for pur-
12 poses of this title and such election meets
13 the requirements of clause (ii).

14 “(ii) REQUIREMENTS.—Any election
15 under clause (i) must be so filed not later
16 than December 15, 1994, and must des-
17 ignate the social security individual retire-
18 ment account to which the prescribed so-
19 cial security contributions with respect to
20 such individual are to be paid.

21 “(iii) IRREVOCABILITY.—Any election
22 under clause (i) shall be irrevocable and
23 shall be effective with respect to wages
24 paid after December 31, 1994, for pay pe-
25 riods ending after such date.

1 “(4) ELIGIBLE SELF-EMPLOYED INDIVIDUAL.—

2 “(A) IN GENERAL.—Subject to subpara-
3 graph (B), the term ‘eligible self-employed indi-
4 vidual’ means any individual—

5 “(i) on whose self-employment income
6 for a taxable year beginning after Decem-
7 ber 31, 1994, there is imposed a tax under
8 section 1401(a) of the Internal Revenue
9 Code of 1986, and

10 “(ii) who, as of January 1, 1995, has
11 not been credited under part A with any
12 quarters of coverage (within the meaning
13 of section 213(a)(2)).

14 “(B) ELECTION OF PARTICIPATION.—

15 “(i) IN GENERAL.—The requirements
16 of subparagraph (A)(ii) shall be deemed
17 satisfied in the case of an individual who
18 does not otherwise meet such requirements
19 if such individual files with the Secretary,
20 in such form and manner as shall be pre-
21 scribed in regulations of the Secretary, a
22 written and signed declaration of such in-
23 dividual’s intention to be treated as an eli-
24 gible self-employed individual for purposes

1 of this title and such election meets the re-
2 quirements of clause (ii).

3 “(ii) REQUIREMENTS.—Any election
4 under clause (i) must be so filed not later
5 than December 15, 1994, and must des-
6 ignate the social security individual retire-
7 ment account to which the prescribed so-
8 cial security contributions with respect to
9 such individual are to be paid.

10 “(iii) IRREVOCABILITY.—Any election
11 under clause (i) shall be irrevocable and
12 shall be effective with respect to self-em-
13 ployment income for taxable years begin-
14 ning after December 31, 1994.

15 “(5) PRESCRIBED SOCIAL SECURITY CONTRIBU-
16 TION.—The term ‘prescribed social security con-
17 tribution’ means—

18 “(A) with respect to wages paid to an em-
19 ployee, an amount equal to the amount of tax
20 payable by the employer based on such wages
21 under section 3111 of the Internal Revenue
22 Code of 1986 with respect to having such em-
23 ployee in his employ, and

24 “(B) with respect to self-employment in-
25 come received by an individual, an amount

1 equal to the amount of tax payable by the indi-
2 vidual based on such self-employment income
3 under section 1401(a) of such Code.

4 “(6) ELIGIBLE SURVIVOR.—The term ‘eligible
5 survivor’ of a deceased individual means such indi-
6 vidual’s widow or, if there is no such widow, such in-
7 dividual’s last surviving divorced wife or surviving
8 divorced husband. Such term shall not include any
9 such surviving divorced wife or surviving divorced
10 husband who is married on the date of the deceased
11 individual’s death.

12 “(7) BUSINESS DAY.—The term ‘business day’
13 means any day other than a Saturday, Sunday, or
14 legal holiday in the area involved.

15 “PENALTIES

16 “SEC. 256. (a) FAILURE TO ESTABLISH INDIVIDUAL
17 RETIREMENT PAYROLL DEDUCTION PLAN.—Any covered
18 employer who fails to meet the requirements of section
19 251 for any calendar year shall be subject to a civil penalty
20 of not to exceed the greater of—

21 “(1) \$5,000, or

22 “(2) \$100 for each eligible employee of such
23 employer as of the beginning of such calendar year.

24 “(b) FAILURE TO MAKE DEDUCTIONS REQUIRED
25 UNDER PLAN.—Any covered employer who fails to deduct
26 an amount from the wages of an eligible employee in ac-

1 cordance with an applicable social security payroll deduc-
2 tion plan shall be subject to a civil penalty of not to exceed
3 \$500 for each such failure.

4 “(c) FAILURE BY EMPLOYER TO MAKE TIMELY PAY-
5 MENTS TO SOCIAL SECURITY INDIVIDUAL RETIREMENT
6 ACCOUNT.—If an amount deducted from the wages of an
7 eligible employee under a social security payroll deduction
8 plan is not paid to the specified social security individual
9 retirement account within the time prescribed by section
10 251—

11 “(1) the employer shall be subject to a civil
12 penalty of not to exceed 50 percent of the amount
13 so deducted, and

14 “(2) shall be liable to the employee for interest
15 on the amount so deducted at the underpayment
16 rate determined under section 6621 of the Internal
17 Revenue Code of 1986 from the last day by which
18 such amount was required to be so paid to the date
19 on which such amount is paid into the specified so-
20 cial security individual retirement account.

21 “(d) FAILURE BY ELIGIBLE SELF-EMPLOYED INDI-
22 VIDUAL TO MAKE TIMELY PAYMENTS TO SOCIAL SECU-
23 RITY INDIVIDUAL RETIREMENT ACCOUNT.—If a pre-
24 scribed social security contribution is not paid by an eligi-
25 ble self-employed individual to a social security individual

1 retirement account maintained by the individual within
2 the time prescribed by section 253, such individual shall
3 be subject to a civil penalty of not to exceed 50 percent
4 of the amount of such contribution.

5 “(e) FAILURE BY TRUSTEE TO MAKE TIMELY
6 TRANSFERS.—If the balance in the social security individ-
7 ual retirement account of a deceased individual is not
8 transferred by the trustee within the time prescribed by
9 section 254—

10 “(1) the trustee shall be subject to a civil pen-
11 alty of not to exceed 50 percent of the amount of
12 the balance, and

13 “(2) shall be liable—

14 “(A) in the case of a transfer required to
15 be made to another social security individual re-
16 tirement account, to the widow or the surviving
17 divorced wife or surviving divorced husband (as
18 the case may be), or

19 “(B) in the case of a transfer required to
20 be made to the Federal Old-Age and Survivors
21 Insurance Trust Fund, to such Trust Fund,
22 for interest on the balance at the underpayment rate
23 determined under section 6621 of the Internal Reve-
24 nue Code of 1986 from the last day by which such
25 balance was required to be so transferred to the date

1 on which such balance is transferred to the des-
2 ignated social security individual retirement account.

3 “(f) RULES FOR APPLICATION OF SECTION.—

4 “(1) PENALTIES ASSESSED BY SECRETARY.—

5 Any civil penalty assessed by this section shall be
6 imposed by the Secretary and collected in a civil ac-
7 tion.

8 “(2) COMPROMISES.—The Secretary may com-
9 promise the amount of any civil penalty imposed by
10 this section.

11 “(3) AUTHORITY TO WAIVE PENALTY IN CER-
12 TAIN CASES.—The Secretary may waive the applica-
13 tion of this section with respect to any failure if the
14 Secretary determines that such failure is due to rea-
15 sonable cause and not to intentional disregard of
16 rules and regulations.”

17 (b) AMOUNTS DEDUCTED TO BE SHOWN ON W-2
18 STATEMENTS.—Subsection (a) of section 6051 of the In-
19 ternal Revenue Code of 1986 (relating to receipts for em-
20 ployees) is amended—

21 (1) by striking “and” at the end of paragraph

22 (6);

23 (2) by striking the period at the end of para-
24 graph (7) and inserting “, and”; and

1 (3) by adding at the end the following new
2 paragraph:

3 “(8) the total amount deducted from the em-
4 ployee’s wages under a social security payroll deduc-
5 tion plan established under part B of title II of the
6 Social Security Act.”

7 (c) EXEMPTION FROM ERISA REQUIREMENTS.—
8 Subsection (b) of section 4 of the Employee Retirement
9 Income Security Act of 1974 (29 U.S.C. 1003(b)) is
10 amended—

11 (1) by striking “or” at the end of paragraph
12 (4);

13 (2) by striking the period at the end of para-
14 graph (5) and inserting “; or”; and

15 (3) by adding at the end the following new
16 paragraph:

17 “(6) such plan is a social security payroll de-
18 duction plan established under part B of title II of
19 the Social Security Act and does not provide for em-
20 ployer contributions.”

21 (d) EFFECTIVE DATE AND NOTICE REQUIRE-
22 MENTS.—

23 (1) EFFECTIVE DATE.—The amendments made
24 by subsection (a) (and any social security payroll de-
25 duction plan required thereunder) shall apply with

1 respect to wages paid after December 31, 1994, for
2 pay periods ending after such date and self-employ-
3 ment income for taxable years beginning after such
4 date.

5 (2) NOTICE REQUIREMENTS.—

6 (A) IN GENERAL.—Not later than October
7 1, 1994, the Secretary of Health and Human
8 Services shall—

9 (i) send to the last known address of
10 each eligible individual a description of the
11 program established by the amendments
12 made by this Act, which shall be written in
13 the form of a pamphlet in language which
14 may be readily understood by the average
15 worker,

16 (ii) provide for toll-free access by tele-
17 phone from all localities in the United
18 States to the Social Security Administra-
19 tion through which individuals may obtain
20 information and answers to questions re-
21 garding such program, and

22 (iii) provide information to the media
23 in all localities of the United States about
24 such program and such toll-free access by
25 telephone.

1 (B) ELIGIBLE INDIVIDUAL.—For purposes
2 of this paragraph, the term “eligible individual”
3 means an individual who, as of the date of the
4 pamphlet sent pursuant to subparagraph (A), is
5 indicated within the records of the Social Secu-
6 rity Administration as—

7 (i) not having attained age 65, and

8 (ii) being credited with one or more
9 quarters of coverage under section 213 of
10 the Social Security Act.

11 (C) MATTERS TO BE INCLUDED.—The
12 Secretary shall include with the pamphlet sent
13 to each eligible individual pursuant to subpara-
14 graph (A)—

15 (i) a statement of the number of quar-
16 ters of coverage indicated in the records of
17 the Social Security Administration as of
18 the date of the description as credited to
19 such individual under section 213 of the
20 Social Security Act and the date as of
21 which such records may be considered ac-
22 curate, and

23 (ii) the number for toll-free access by
24 telephone established by the Secretary pur-
25 suant to subparagraph (A).

1 **SEC. 4. ADJUSTMENTS TO PRIMARY INSURANCE AMOUNTS**
2 **UNDER PART A OF TITLE II OF THE SOCIAL**
3 **SECURITY ACT.**

4 (a) IN GENERAL.—Section 215 of the Social Security
5 Act (42 U.S.C. 415) is amended by adding at the end the
6 following new subsection:

7 “Adjustment of Primary Insurance Amount of Eligible
8 Employees and Eligible Self-Employed Individuals
9 Under Part B

10 “(j)(1) Except as provided in paragraph (3), in the
11 case of an individual who is—

12 “(A) an eligible employee, as defined under
13 paragraph (3)(A) of section 255 without regard to
14 paragraph (3)(B) of such section, or

15 “(B) an eligible self-employed individual, as de-
16 fined under paragraph (4)(A) of section 255 without
17 regard to paragraph (4)(B) of such section,

18 such individual’s primary insurance amount as determined
19 in accordance with this section (before adjustments made
20 under subsection (i)) shall be equal to 50 percent of the
21 amount which would be so determined if this subsection
22 did not apply.

23 “(2) Except as provided in paragraph (3), in the case
24 of an individual who is—

1 “(A) an eligible employee as defined in para-
 2 graph (3) of section 255 solely by reason of an elec-
 3 tion under paragraph (3)(B) of such section, or

4 “(B) an eligible self-employed individual as de-
 5 fined in paragraph (4) of section 255 solely by rea-
 6 son of an election under paragraph (4)(B) of such
 7 section,

8 such individual’s primary insurance amount as determined
 9 in accordance with this section (before adjustments made
 10 under subsection (i)) shall be equal to the product derived
 11 by multiplying—

12 “(i) the amount which would be so determined
 13 if this subsection did not apply, by

14 “(ii) the applicable percentage determined
 15 under the following table:

“If the number of such individual’s quarters of coverage (within the meaning of section 213(a)(2)) as of January 1, 1995, is:	The applicable percentage is:
Less than 21	50 percent.
More than 20 but less than 61	60 percent.
More than 60 but less than 101	70 percent.
More than 100 but less than 141	80 percent.
More than 141	90 percent.

16 “(3)(A) In the case of an individual who is an eligible
 17 employee as defined in paragraph (3) of section 255 or
 18 an eligible self-employed individual as defined in para-
 19 graph (4) of section 255 becomes entitled to disability in-
 20 surance benefits under section 223, such individual’s pri-

1 mary insurance amount shall be determined without re-
 2 gard to paragraphs (1) and (2).

3 “(B) Effective upon the attainment by an individual
 4 described in subparagraph (A) of retirement age (as de-
 5 fined in section 216(l)(1)), such individual’s primary in-
 6 surance amount as determined in accordance with this sec-
 7 tion (before subsequent adjustments made under sub-
 8 section (i)) shall be equal the product derived by multiply-
 9 ing—

10 “(i) the amount which would be so determined
 11 if this subsection did not apply, by

12 “(ii) the applicable percentage determined
 13 under the following table:

“If the number of such individual’s quarters of coverage (within the meaning of section 213(a)(2)) as of the date on which such individual attains normal retirement age is:	The applicable percentage is:
Less than 9	100 percent.
More than 8 but less than 21	90 percent.
More than 20 but less than 61	80 percent.
More than 60 but less than 101	70 percent.
More than 100 but less than 141	60 percent.
More than 140	50 percent.”

14 (b) CONFORMING AMENDMENT TO RAILROAD RE-
 15 TIREMENT ACT OF 1974.—Section 1 of the Railroad Re-
 16 tirement Act of 1974 (45 U.S.C. 231) is amended by add-
 17 ing at the end the following:

18 “(s) In applying applicable provisions of the Social
 19 Security Act for purposes of determining the amount of
 20 the annuity to which an individual is entitled under this

1 Act, such individual shall not be treated as an ‘eligible
2 individual’ as defined in section 253(4) of the Social Secu-
3 rity Act.”

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply with respect to months after De-
6 cember 1994.

7 **SEC. 5. TAX TREATMENT OF SOCIAL SECURITY INDIVIDUAL**
8 **RETIREMENT ACCOUNTS.**

9 (a) IN GENERAL.—Subpart A of part I of subchapter
10 D of chapter 1 of the Internal Revenue Code of 1986 (re-
11 lating to pension, profit-sharing, stock bonus plans, etc.)
12 is amended by inserting after section 408 the following
13 new section:

14 **“SEC. 408A. SOCIAL SECURITY INDIVIDUAL RETIREMENT**
15 **ACCOUNTS.**

16 “(a) GENERAL RULE.—A social security individual
17 retirement account shall be treated under this title in the
18 same manner as any individual retirement plan, except to
19 the extent otherwise provided in this section.

20 “(b) SOCIAL SECURITY INDIVIDUAL RETIREMENT
21 ACCOUNT.—For purposes of this title, the term ‘social se-
22 curity individual retirement account’ means an individual
23 retirement account (as defined in section 408(a)) which
24 is administered or issued by a bank (as defined in section
25 408(n)) under terms which restrict deposits to prescribed

1 social security contributions made to the account pursuant
2 to section 251 or 253 of the Social Security Act and trans-
3 fers made to the account pursuant to section 254 of such
4 Act.

5 “(c) TAX TREATMENT OF DISTRIBUTIONS.—For
6 purposes of this title—

7 “(1) EXCLUSION FOR QUALIFIED DISTRIBUTIONS.—
8 TIONS.—

9 “(A) IN GENERAL.—In the case of a quali-
10 fied distribution from a social security individ-
11 ual retirement account, the amount of such dis-
12 tribution shall not be includable in gross in-
13 come.

14 “(B) QUALIFIED DISTRIBUTION.—For
15 purposes of subparagraph (A), the term ‘quali-
16 fied distribution’ means any distribution made
17 on or after the date on which the individual at-
18 tains retirement age (as defined in section
19 216(l)(1) of the Social Security Act).

20 “(2) PENALTY FOR NONQUALIFIED DISTRIBUTIONS.—In the case of a distribution not subject to
21 paragraph (1), section 72(t) shall be applied—

22 “(A) by substituting ‘50 percent’ for ‘10
23 percent’ in paragraph (1) thereof, and
24

1 “(B) without regard to paragraph (2)
2 thereof.

3 “(3) ROLLOVERS.—Section 408(d)(3)(A)(i)
4 shall apply to any amount distributed from a social
5 security individual retirement account only to the ex-
6 tent such amount is paid into another such account
7 for the benefit of the individual for whom the ac-
8 count from which such amount is transferred was
9 maintained.”

10 (b) CLERICAL AMENDMENT.—The table of sections
11 for such subpart A is amended by inserting after the item
12 relating to section 408 the following new item:

 “Sec. 408A. Social security individual retirement accounts.”

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section shall apply to taxable years beginning after
15 December 31, 1994.

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17 HR 3803 IH—3