

104TH CONGRESS
1ST SESSION

H. R. 201

To amend title II of the Social Security Act to phase out the earnings test over a 5-year period for individuals who have attained retirement age, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 4, 1995

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

A BILL

To amend title II of the Social Security Act to phase out the earnings test over a 5-year period for individuals who have attained retirement age, and for other purposes.

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 “Older Workers’ Earn-
5 ings Protection Act of 1995”.

1 **SEC. 2. LIBERALIZATION OF EARNINGS TEST OVER THE PE-**
2 **RIOD 1997-2001 FOR INDIVIDUALS WHO HAVE**
3 **ATTAINED RETIREMENT AGE.**

4 (a) IN GENERAL.—Effective with respect to taxable
5 years ending after 1996, subparagraph (D) of section
6 203(f)(8) of the Social Security Act is amended to read
7 as follows:

8 “(D) Notwithstanding any other provision of
9 this subsection, the exempt amount for a taxable
10 year ending in a calendar year after 1996 which is
11 applicable to an individual who has attained retire-
12 ment age (as defined in section 216(l)) before the
13 close of the taxable year involved shall be an amount
14 equal to the exempt amount which was applicable to
15 individuals described in this subparagraph for tax-
16 able years ending in the preceding calendar year,
17 plus \$3,000.”.

18 (b) CONFORMING AMENDMENT.—The second sen-
19 tence of section 223(d)(4)(A) of such Act is amended by
20 striking “which is applicable to individuals described in
21 subparagraph (D) thereof” and inserting “which would be
22 applicable to individuals who have attained retirement age
23 (as defined in section 216(l)) before the close of the tax-
24 able year involved if the amendments made by the Social
25 Security Earnings Test Repeal Act of 1995 had not been
26 enacted.”.

1 **SEC. 3. REPEAL OF EARNINGS TEST IN THE YEAR 2002 FOR**
2 **INDIVIDUALS WHO HAVE ATTAINED RETIRE-**
3 **MENT AGE.**

4 Effective with respect to taxable years ending after
5 2001—

6 (1) clause (B) in the third sentence of section
7 203(f)(1) of the Social Security Act is amended by
8 striking “age seventy” and inserting “retirement age
9 (as defined in section 216(l))”; and

10 (2) section 203(f)(3) of such Act is amended—

11 (A) by striking “33 $\frac{1}{3}$ percent” and all
12 that follows through “multiplied by the number
13 of months in such year” and inserting “50 per-
14 cent of his earnings for such year in excess of
15 the product derived by multiplying the applica-
16 ble exempt amount as determined under para-
17 graph (8) by the number of months in such
18 year”, and

19 (B) by striking “age 70” and inserting
20 “retirement age (as defined in section 216(l))”.

21 **SEC. 4. CONFORMING AND RELATED AMENDMENTS.**

22 Effective with respect to taxable years ending after
23 2001—

24 (1) section 203(c)(1) of the Social Security Act
25 is amended by striking “is under the age of seventy”

1 and inserting “is under retirement age (as defined
2 in section 216(l))”;

3 (2) the last sentence of subsection (c) of section
4 203 of such Act is amended by striking “nor shall
5 any deduction” and all that follows and inserting
6 “nor shall any deduction be made under this sub-
7 section from any widow’s or widower’s insurance
8 benefit if the widow, surviving divorced wife, wid-
9 ower, or surviving divorced husband involved became
10 entitled to such benefit prior to attaining age 60.”;

11 (3) paragraphs (1)(A) and (2) of section 203(d)
12 of such Act are each amended by striking “under
13 the age of seventy” and inserting “under retirement
14 age (as defined in section 216(l))”;

15 (4) section 203(f)(1) of such Act is amended by
16 striking clause (D) and inserting the following: “(D)
17 for which such individual is entitled to widow’s or
18 widower’s insurance benefits if such individual be-
19 came so entitled prior to attaining age 60, or”;

20 (5) subparagraph (D) of section 203(f)(5) of
21 such Act is amended—

22 (A) by striking “(D) In the case of” and
23 all that follows down through “(ii) an individ-
24 ual” and inserting the following:

25 “(D) In the case of an individual”; and

1 (B) by striking “became entitled to such
2 benefits” and all that follows and inserting “be-
3 came entitled to such benefits, there shall be ex-
4 cluded from gross income any such other in-
5 come.”;

6 (6) section 203(f)(8)(A) of such Act is amended
7 by striking “the new exempt amounts (separately
8 stated for individuals described in subparagraph (D)
9 and for other individuals) which are to be applica-
10 ble” and inserting “the new exempt amount which
11 is to be applicable”;

12 (7) section 203(f)(8)(B) of such Act is amend-
13 ed—

14 (A) by striking all that precedes clause (i)
15 and inserting the following:

16 “(B) The exempt amount which is applicable
17 for each month of a particular taxable year shall be
18 whichever of the following is the larger—”;

19 (B) by striking “corresponding” in clause
20 (i); and

21 (C) by striking “an exempt amount” in the
22 matter following clause (ii) and inserting “the
23 exempt amount”;

24 (8) section 203(f)(8)(D) of such Act (as amend-
25 ed by section 2(a) of this Act) is repealed;

1 (9) section 203(f)(9) of such Act is repealed;

2 (10) section 203(h)(1)(A) of such Act is amend-
3 ed by striking “age 70” each place it appears and
4 inserting “retirement age (as defined in section
5 216(l))”;

6 (11) section 203(j) of such Act is amended to
7 read as follows:

8 “Attainment of Retirement Age

9 “(j) For purposes of this section—

10 “(1) an individual shall be considered as having
11 attained retirement age (as defined in section
12 216(l)) during the entire month in which he attains
13 such age; and

14 “(2) the term ‘retirement age (as defined in
15 section 216(l))’, with respect to any individual enti-
16 tled to monthly insurance benefits under section
17 202, means the retirement age (as so defined) which
18 is applicable in the case of old-age insurance bene-
19 fits, regardless of whether or not the particular ben-
20 efits to which the individual is entitled (or the only
21 such benefits) are old-age insurance benefits.”; and

22 (12) section 202(w)(2)(B)(ii) of such Act is
23 amended—

24 (A) by striking “either”; and

1 (B) by striking “or suffered deductions
2 under section 203(b) or 203(c) in amounts
3 equal to the amount of such benefit”.

4 **SEC. 5. ACCELERATION OF 8 PERCENT DELAYED RETIRE-**
5 **MENT CREDIT.**

6 Paragraph (6) of section 202(w) of the Social Secu-
7 rity Act is amended—

8 (1) by striking “2005” in subparagraph (C)
9 and inserting “1997”; and

10 (2) by striking “2004” in subparagraph (D)
11 and inserting “1996”.

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