

105TH CONGRESS
2D SESSION

S. 1571

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 1998

Mr. McCAIN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

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 “Senior Citizens’ Free-
5 dom to Work Act of 1998”.

6 **SEC. 2. ELIMINATION OF EARNINGS TEST FOR INDIVID-**
7 **UALS WHO HAVE ATTAINED RETIREMENT**
8 **AGE.**

9 Section 203 of the Social Security Act (42 U.S.C.
10 403) is amended—

1 (1) in subsection (c)(1), by striking “the age of
2 seventy” and inserting “retirement age (as defined
3 in section 216(l))”;

4 (2) in paragraphs (1)(A) and (2) of subsection
5 (d), by striking “the age of seventy” each place it
6 appears and inserting “retirement age (as defined in
7 section 216(l))”;

8 (3) in subsection (f)(1)(B), by striking “was
9 age seventy or over” and inserting “was at or above
10 retirement age (as defined in section 216(l))”;

11 (4) in subsection (f)(3)—

12 (A) by striking “33 $\frac{1}{3}$ percent” and all
13 that follows through “any other individual,”
14 and inserting “50 percent of such individual’s
15 earnings for such year in excess of the product
16 of the exempt amount as determined under
17 paragraph (8),”; and

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

20 (5) in subsection (h)(1)(A), by striking “age
21 70” each place it appears and inserting “retirement
22 age (as defined in section 216(l))”; and

23 (6) in subsection (j)—

24 (A) in the heading, by striking “Age Sev-
25 enty” and inserting “Retirement Age”; and

1 (B) by striking “seventy years of age” and
2 inserting “having attained retirement age (as
3 defined in section 216(l))”.

4 **SEC. 3. CONFORMING AMENDMENTS ELIMINATING THE**
5 **SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS**
6 **WHO HAVE ATTAINED RETIREMENT AGE.**

7 (a) **UNIFORM EXEMPT AMOUNT.**—Section
8 203(f)(8)(A) of the Social Security Act (42 U.S.C.
9 403(f)(8)(A)) is amended by striking “the new exempt
10 amounts (separately stated for individuals described in
11 subparagraph (D) and for other individuals) which are to
12 be applicable” and inserting “a new exempt amount which
13 shall be applicable”.

14 (b) **CONFORMING AMENDMENTS.**—Section
15 203(f)(8)(B) of the Social Security Act (42 U.S.C.
16 403(f)(8)(B)) is amended—

17 (1) in the matter preceding clause (i), by strik-
18 ing “Except” and all that follows through “which-
19 ever” and inserting “The exempt amount which is
20 applicable for each month of a particular taxable
21 year shall be whichever”;

22 (2) in clauses (i) and (ii), by striking “cor-
23 responding” each place it appears; and

24 (3) in the last sentence, by striking “an exempt
25 amount” and inserting “the exempt amount”.

1 (c) REPEAL OF BASIS FOR COMPUTATION OF SPE-
2 CIAL EXEMPT AMOUNT.—Section 203(f)(8)(D) of the So-
3 cial Security Act (42 U.S.C. (f)(8)(D)) is repealed.

4 **SEC. 4. ADDITIONAL CONFORMING AMENDMENTS.**

5 (a) ELIMINATION OF REDUNDANT REFERENCES TO
6 RETIREMENT AGE.—Section 203 of the Social Security
7 Act (42 U.S.C. 403) is amended—

8 (1) in subsection (e), in the last sentence, by
9 striking “nor shall any deduction” and all that fol-
10 lows and inserting “nor shall any deduction be made
11 under this subsection from any widow’s or widower’s
12 insurance benefit if the widow, surviving divorced
13 wife, widower, or surviving divorced husband in-
14 volved became entitled to such benefit prior to at-
15 taining age 60.”; and

16 (2) in subsection (f)(1), by striking clause (D)
17 and inserting the following: “(D) for which such in-
18 dividual is entitled to widow’s or widower’s insurance
19 benefits if such individual became so entitled prior
20 to attaining age 60,”.

21 (b) CONFORMING AMENDMENT TO PROVISIONS FOR
22 DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF
23 DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of the
24 Social Security Act (42 U.S.C. 402(w)(2)(B)(ii)) is
25 amended—

1 (1) by striking “either”; and

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

5 (c) PROVISIONS RELATING TO EARNINGS TAKEN
6 INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL
7 ACTIVITY OF BLIND INDIVIDUALS.—The second sentence
8 of section 223(d)(4) of such Act (42 U.S.C. 423(d)(4))
9 is amended by striking “if section 102 of the Senior Citi-
10 zens’ Right to Work Act of 1996 had not been enacted”
11 and inserting the following: “if the amendments to section
12 203 made by section 102 of the Senior Citizens’ Right
13 to Work Act of 1996 and by the Senior Citizens’ Freedom
14 to Work Act of 1998 had not been enacted”.

15 **SEC. 5. EFFECTIVE DATE.**

16 The amendments and repeals made by this Act shall
17 apply with respect to taxable years ending after December
18 31, 1997.

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