

119TH CONGRESS
1ST SESSION

H. R. 1700

To enhance Social Security benefits and ensure the long-term solvency of
the Social Security program.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 27, 2025

Ms. HOYLE of Oregon (for herself, Ms. SCHAKOWSKY, Mr. CARTER of Louisiana, Mr. CASAR, Ms. CHU, Mr. COHEN, Mr. DELUZIO, Ms. LOIS FRANKEL of Florida, Ms. JAYAPAL, Mr. KHANNA, Mr. MCGOVERN, Ms. MOORE of Wisconsin, Mr. NADLER, Ms. NORTON, Ms. PINGREE, Mr. POCAN, Mrs. RAMIREZ, Ms. SALINAS, Ms. TLAIB, and Ms. TOKUDA) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and Workforce, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To enhance Social Security benefits and ensure the long-term solvency of the Social Security program.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Social Security Expansion Act”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Across-the-board benefit increase.
- Sec. 3. Computation of cost-of-living increases.
- Sec. 4. Increase in minimum benefit for lifetime low earners based on years in the workforce.
- Sec. 5. Extended benefit eligibility for children who are full-time students.
- Sec. 6. Payroll tax on remuneration up to contribution and benefit base and more than \$250,000.
- Sec. 7. Tax on net earnings from self-employment up to contribution and benefit base and more than \$250,000.
- Sec. 8. Tax on investment gain.
- Sec. 9. Social Security Trust Fund established.

3 **SEC. 2. ACROSS-THE-BOARD BENEFIT INCREASE.**

4 (a) INCREASE OF FIRST BEND POINT PERCENT-
 5 AGE.—Section 215(a)(1)(A)(i) of the Social Security Act
 6 (42 U.S.C. 415(a)(1)(A)(i)) is amended by striking “90
 7 percent” and inserting “95 percent”.

8 (b) ADJUSTMENT TO BEND POINT AMOUNT.—

9 (1) IN GENERAL.—Section 215(a)(1)(B) of the
 10 Social Security Act (42 U.S.C. 415(a)(1)(B)) is
 11 amended—

12 (A) by redesignating clause (iii) as clause
 13 (iv); and

14 (B) by inserting after clause (ii) the fol-
 15 lowing new clause:

16 “(iii) For an individual who is eligible for an
 17 old-age or disability insurance benefit (or who dies
 18 before becoming eligible for such a benefit) in any
 19 calendar year after 2025, the amount determined for
 20 the individual under clause (ii) of this subparagraph

1 for purposes of subparagraph (A)(i)(I) shall be in-
 2 creased by 18 percent.”.

3 (2) CONFORMING AMENDMENT.—Clause (iv) of
 4 section 215(a)(1)(B) of the Social Security Act (42
 5 U.S.C. 415(a)(1)(B)), as redesignated by paragraph
 6 (1), is amended by inserting “(after the application
 7 of clause (iii), when applicable)” after “clause (ii)”.

8 (c) EFFECTIVE DATE.—

9 (1) IN GENERAL.—The amendments made by
 10 this section shall take effect on January 1, 2026,
 11 and shall apply with respect to monthly insurance
 12 benefits payable under title II of the Social Security
 13 Act (42 U.S.C. 401 et seq.) for months in calendar
 14 years beginning on or after such date.

15 (2) RECOMPUTATION OF PRIMARY INSURANCE
 16 AMOUNTS.—

17 (A) IN GENERAL.—Notwithstanding sec-
 18 tion 215(f) of the Social Security Act (42
 19 U.S.C. 415(f)), the Commissioner of Social Se-
 20 curity shall recompute primary insurance
 21 amounts to the extent necessary to carry out
 22 the amendments to this section.

23 (B) RULE OF APPLICATION.—In recom-
 24 puting the primary insurance amount of an in-
 25 dividual who initially became eligible for old-age

or disability insurance benefits before January 1, 2026, the Commissioner of Social Security shall apply the increase described in clause (iii) of section 215(a)(1)(B) of the Social Security Act (as added by subsection (b)(1)(B)) to the amount determined under clause (ii) of such section 215(a)(1)(B) for the calendar year in which the individual initially became eligible for such benefits.

SEC. 3. COMPUTATION OF COST-OF-LIVING INCREASES.

(a) IN GENERAL.—Section 215(i)(1) of the Social Security Act (42 U.S.C. 415(i)(1)) is amended by adding at the end the following new subparagraph:

“(H) the term ‘Consumer Price Index’ means the Consumer Price Index for Elderly Consumers (CPI–E, as published by the Bureau of Labor Statistics of the Department of Labor).”.

(b) APPLICATION TO PRE-1979 LAW.—

(1) IN GENERAL.—Section 215(i)(1) of the Social Security Act as in effect in December 1978, and as applied in certain cases under the provisions of such Act as in effect after December 1978, is amended by adding at the end the following new subparagraph:

1 “(D) the term ‘Consumer Price Index’ means
2 the Consumer Price Index for Elderly Consumers
3 (CPI-E, as published by the Bureau of Labor Sta-
4 tistics of the Department of Labor).”.

5 (2) CONFORMING CHANGE.—Section 215(i)(4)
6 of the Social Security Act (42 U.S.C. 415(i)(4)) is
7 amended—

8 (A) by striking “and by section 9001” and
9 inserting “, section 9001”; and

10 (B) by inserting “and section 3 of the So-
11 cial Security Expansion Act,” after “1986,”.

12 (c) NO EFFECT ON ADJUSTMENTS UNDER OTHER
13 LAWS.—Section 215(i) of the Social Security Act (42
14 U.S.C. 415(i)) is amended by adding at the end the fol-
15 lowing:

16 “(6) Any provision of law (other than in this title,
17 title VIII, or title XVI) which provides for adjustment of
18 an amount based on a change in benefit amounts resulting
19 from a determination made under this subsection shall be
20 applied and administered without regard to the amend-
21 ments made by section 3 of the Social Security Expansion
22 Act, and, for purposes of making such an adjustment
23 under such a provision, this subsection as in effect on the
24 day before the date of enactment of such Act shall con-
25 tinue to apply.”.

1 (d) PUBLICATION OF CONSUMER PRICE INDEX FOR
 2 ELDERLY CONSUMERS.—The Bureau of Labor Statistics
 3 of the Department of Labor shall prepare and publish the
 4 index authorized by section 191 of the Older Americans
 5 Amendments Act of 1987 (29 U.S.C. 2 note) for each cal-
 6 endar month, beginning with July of the calendar year fol-
 7 lowing the calendar year in which this Act is enacted, and
 8 such index shall be known as the “Consumer Price Index
 9 for Elderly Consumers”.

10 (e) EFFECTIVE DATE.—The amendments made by
 11 subsection (a) shall apply to determinations made with re-
 12 spect to cost-of-living computation quarters (as defined in
 13 section 215(i)(1)(B) of the Social Security Act (42 U.S.C.
 14 415(i)(1)(B))) ending on or after September 30 of the sec-
 15 ond calendar year following the calendar year in which this
 16 Act is enacted.

17 **SEC. 4. INCREASE IN MINIMUM BENEFIT FOR LIFETIME**
 18 **LOW EARNERS BASED ON YEARS IN THE**
 19 **WORKFORCE.**

20 (a) IN GENERAL.—Section 215(a)(1) of the Social
 21 Security Act (42 U.S.C. 415(a)(1)) is amended—

22 (1) by redesignating subparagraph (D) as sub-
 23 paragraph (E); and

24 (2) by inserting after subparagraph (C) the fol-
 25 lowing new subparagraph:

1 “(D)(i) Effective with respect to the benefits of indi-
2 viduals who become eligible for old-age insurance benefits
3 or disability insurance benefits (or die before becoming so
4 eligible) after 2025, no primary insurance amount com-
5 puted under subparagraph (A) may be less than the great-
6 er of—

7 “(I) the minimum monthly amount computed
8 under subparagraph (C); or

9 “(II) in the case of an individual who has more
10 than 10 years of work (as defined in clause (iv)(I)),
11 the alternative minimum amount determined under
12 clause (ii).

13 “(ii)(I) The alternative minimum amount determined
14 under this clause is the applicable percentage of $\frac{1}{12}$ of
15 the annual dollar amount determined under clause (iii) for
16 the year in which the amount is determined.

17 “(II) For purposes of subclause (I), the applicable
18 percentage is the percentage specified in connection with
19 the number of years of work, as set forth in the following
20 table:

“If the number of years of work is:	The applicable percentage is:
11	6.25 percent
12	12.50 percent
13	18.75 percent
14	25.00 percent
15	31.25 percent
16	37.50 percent
17	43.75 percent
18	50.00 percent
19	56.25 percent

“If the number of years of work is:	The applicable percentage is:
20	62.50 percent
21	68.75 percent
22	75.00 percent
23	81.25 percent
24	87.50 percent
25	93.75 percent
26	100.00 percent
27	106.25 percent
28	112.50 percent
29	118.75 percent
30 or more	125.00 percent.

1 “(iii) The annual dollar amount determined under
2 this clause is—

3 “(I) for calendar year 2026, the poverty guide-
4 line for 2025; and

5 “(II) for any calendar year after 2026, the an-
6 nual dollar amount for 2026 multiplied by the ratio
7 of—

8 “(aa) the national average wage index (as
9 defined in section 209(k)(1)) for the second cal-
10 endar year preceding the calendar year for
11 which the determination is made, to

12 “(bb) the national average wage index (as
13 so defined) for 2024.

14 “(iv) For purposes of this subparagraph—

15 “(I) the term ‘year of work’ means, with re-
16 spect to an individual, a year to which 4 quarters of
17 coverage have been credited based on such individ-
18 ual’s wages and self-employment income; and

1 “(II) the term ‘poverty guideline for 2025’
 2 means the annual poverty guideline for 2025 (as up-
 3 dated annually in the Federal Register by the De-
 4 partment of Health and Human Services under the
 5 authority of section 673(2) of the Omnibus Budget
 6 Reconciliation Act of 1981) as applicable to a single
 7 individual.”.

8 (b) RECOMPUTATION.—Notwithstanding section
 9 215(f)(1) of the Social Security Act, the Commissioner of
 10 Social Security shall recompute primary insurance
 11 amounts originally computed for months prior to Novem-
 12 ber 2025 to the extent necessary to carry out the amend-
 13 ments made by this section.

14 (c) CONFORMING AMENDMENT.—Section 209(k)(1)
 15 of such Act (42 U.S.C. 409(k)(1)) is amended by inserting
 16 “215(a)(1)(E),” after “215(a)(1)(D),”.

17 **SEC. 5. EXTENDED BENEFIT ELIGIBILITY FOR CHILDREN**
 18 **WHO ARE FULL-TIME STUDENTS.**

19 (a) IN GENERAL.—

20 (1) IN GENERAL.—Section 202(d) of the Social
 21 Security Act (42 U.S.C. 402(d)) is amended—

22 (A) in paragraph (1)—

23 (i) in subparagraph (B)—

24 (I) by striking “or (ii)” and in-
 25 serting “(ii)”; and

1 (II) by inserting “or (iii) was the
2 child of an individual entitled to dis-
3 ability insurance benefits or of an in-
4 dividual who dies a fully or currently
5 insured individual and was a full-time
6 student at an educational institution
7 and had not attained the age of 22,”
8 after “22,”;

9 (ii) in subparagraph (E)—

10 (I) by striking “and (ii)” and in-
11 serting “(ii)”; and

12 (II) by inserting “and (iii) is not
13 a full-time student at an educational
14 institution during any part of such
15 month (in the case of a child who is
16 the child of an individual entitled to
17 disability insurance benefits or of an
18 individual who dies a fully or cur-
19 rently insured individual)” before the
20 comma at the end;

21 (iii) in subparagraph (F), by striking
22 clauses (i) and (ii) and inserting the fol-
23 lowing:

1 “(i) in the case of a child who is the child
2 of an individual entitled to old-age insurance
3 benefits—

4 “(I) the first month during no part of
5 which the child is a full-time elementary or
6 secondary school student, or

7 “(II) the month in which the child at-
8 tains the age of 19, and

9 “(ii) in the case of a child who is the child
10 of an individual entitled to disability insurance
11 benefits or of an individual who dies a fully or
12 currently insured individual—

13 “(I) the first month during no part of
14 which the child is a full-time student at an
15 educational institution, or

16 “(II) the month in which the child at-
17 tains the age of 22,”; and

18 (iv) in subparagraph (G), by striking
19 clauses (ii) and (iii) and inserting the fol-
20 lowing:

21 “(ii) in the case of a child who is the child
22 of an individual entitled to old-age insurance
23 benefits—

1 “(I) the first month during no part of
2 which the child is a full-time elementary or
3 secondary school student, or

4 “(II) the month in which the child at-
5 tains the age of 19, and

6 “(iii) in the case of a child who is the child
7 of an individual entitled to disability insurance
8 benefits or of an individual who dies a fully or
9 currently insured individual—

10 “(I) the first month during no part of
11 which the child is a full-time student at an
12 educational institution, or

13 “(II) the month in which the child at-
14 tains the age of 22,”;

15 (B) in paragraph (6)—

16 (i) in subparagraph (A)—

17 (I) by striking “or (ii)” and in-
18 serting “(ii)”; and

19 (II) by inserting “or (iii) is the
20 child of an individual entitled to dis-
21 ability insurance benefits or of an in-
22 dividual who dies a fully or currently
23 insured individual and is a full-time
24 student at an educational institution

1 and has not attained the age of 22,”
2 after “22,”; and

3 (ii) by striking subparagraphs (D)
4 and (E) and inserting the following:

5 “(D) the earlier of—

6 “(i) in the case of a child who is the child
7 of an individual entitled to old-age insurance
8 benefits—

9 “(I) the first month during no part of
10 which the child is a full-time elementary or
11 secondary school student; or

12 “(II) the month in which the child at-
13 tains the age of 19; and

14 “(ii) in the case of a child who is the child
15 of an individual entitled to disability insurance
16 benefits or of an individual who dies a fully or
17 currently insured individual—

18 “(I) the first month during no part of
19 which the child is a full-time student at an
20 educational institution; or

21 “(II) the month in which the child at-
22 tains the age of 22,

23 but only if the child is not under a disability (as
24 so defined) in such earlier month; or

1 “(E) if the child was under a disability (as so
2 defined), the termination month (as defined in para-
3 graph (1)(G)(i)), subject to section 223(e), or (if
4 later) the earlier of—

5 “(i) in the case of a child who is the child
6 of an individual entitled to old-age insurance
7 benefits—

8 “(I) the first month during no part of
9 which the child is a full-time elementary or
10 secondary school student; or

11 “(II) the month in which the child at-
12 tains the age of 19; and

13 “(ii) in the case of a child who is the child
14 of an individual entitled to disability insurance
15 benefits or of an individual who dies a fully or
16 currently insured individual—

17 “(I) the first month during no part of
18 which the child is a full-time student at an
19 educational institution; or

20 “(II) the month in which the child at-
21 tains the age of 22.”; and

22 (C) in paragraph (7), by adding at the end
23 the following new paragraphs:

24 “(E) The term ‘full-time student at an edu-
25 cational institution’ means an individual who is in

1 full-time attendance as a student at an elementary
2 school (but only in the case of an individual who has
3 not attained the age of 19) or a secondary school or
4 an institution described in section 102 of the Higher
5 Education Act of 1965 (20 U.S.C. 1002), as deter-
6 mined by the Commissioner of Social Security (in
7 accordance with regulations prescribed by the Com-
8 missioner) in the light of the standards and prac-
9 tices of the schools and institutions involved, except
10 that no individual shall be considered a ‘full-time
11 student at an educational institution’ if the indi-
12 vidual is paid by his employer while attending a
13 school or institution at the request, or pursuant to
14 a requirement, of his employer. An individual shall
15 not be considered a ‘full-time student at an edu-
16 cational institution’ for the purpose of this section
17 while that individual is confined in a jail, prison, or
18 other penal institution or correctional facility, pursu-
19 ant to the individual’s conviction of an offense (com-
20 mitted after the effective date of this sentence)
21 which constituted a felony under applicable law. An
22 individual who is determined to be a full-time stu-
23 dent at an educational institution shall be deemed to
24 be such a student throughout the month with re-
25 spect to which such determination is made.

1 “(F) Except to the extent provided in such reg-
2 ulations, an individual shall be deemed to be a full-
3 time student at a school or educational institution
4 during any period of nonattendance at a school or
5 institution at which he has been in full-time attend-
6 ance if (i) such period is 4 calendar months or less,
7 and (ii) the individual shows to the satisfaction of
8 the Commissioner of Social Security that the indi-
9 vidual intends to continue to be in full-time attend-
10 ance at a secondary school or institution described
11 in section 102 of the Higher Education Act of 1965
12 (20 U.S.C. 1002) immediately following such period.
13 An individual who does not meet the requirement of
14 clause (ii) with respect to such period of nonattend-
15 ance shall be deemed to have met such requirement
16 (as of the beginning of such period) if he is in full-
17 time attendance at such a school or institution im-
18 mediately following such period.

19 “(G) A child who attains age 22 at a time when
20 the child is a full-time student of an educational in-
21 stitution (as defined in subparagraph (E) and with-
22 out application of subparagraph (F)) but has not (at
23 such time) completed the requirements for, or re-
24 ceived, a diploma or equivalent certificate from a
25 secondary school (as defined in subparagraph (C)(i))

1 or, if such child is a student at an educational insti-
2 tution described in section 102 of the Higher Edu-
3 cation Act of 1965, a diploma, degree, or equivalent
4 degree from such an institution, shall be deemed (for
5 purposes of determining whether the child's entitle-
6 ment to benefits under this subsection has termi-
7 nated under paragraph (1)(F) and for purposes of
8 determining his initial entitlement to such benefits
9 under clause (iii) of paragraph (1)(B)) not to have
10 attained such age until the first day of the first
11 month following the end of the quarter or semester
12 in which he is enrolled at such time (or, if the sec-
13 ondary school or educational institution in which he
14 is enrolled is not operated on a quarter or semester
15 system, until the first day of the first month fol-
16 lowing the completion of the course in which the
17 child is so enrolled or until the first day of the third
18 month beginning after such time, whichever first oc-
19 curs).”.

20 (2) EFFECTIVE DATE.—The amendments made
21 by this subsection shall apply to child's insurance
22 benefits that are payable for months beginning on or
23 after January 1, 2026.

24 (b) RAILROAD RETIREMENT ACT.—

1 (1) Section 2(d) of the Railroad Retirement Act
2 of 1974 (45 U.S.C. 232(2)(d)) is amended—

3 (A) in clause (iii) of paragraph (1), by
4 striking “will be less than nineteen years of age
5 and a full-time elementary or secondary school
6 student” and inserting “will be less than 22
7 years of age and a full-time student at an edu-
8 cational institution (as defined in section
9 202(d)(7)(E) of the Social Security Act)”; and

10 (B) in paragraph (4)—

11 (i) by striking “(defining the terms
12 ‘full-time elementary or secondary school
13 student’ and ‘elementary or secondary
14 school’)”;

15 (ii) by striking “nineteen” and insert-
16 ing “22”;

17 (iii) by striking “full-time elementary
18 or secondary school student” and inserting
19 “full-time student at an educational insti-
20 tution”;

21 (iv) by striking “subparagraph (A) of
22 paragraph (7) of section 202(d) of the So-
23 cial Security Act and without the applica-
24 tion of subparagraph (B)” and inserting
25 “subparagraph (E) of section 202(d)(7) of

1 the Social Security Act, without regard to
 2 subparagraph (F) of such section”;

3 (v) by striking “a diploma or equiva-
 4 lent certificate from a secondary school (as
 5 defined in section 202(d)(7)(c)(i) of the
 6 Social Security Act)” and inserting “a di-
 7 ploma, degree, or equivalent certificate
 8 from a secondary school or educational in-
 9 stitution described in section 202(d)(7)(E)
 10 of the Social Security Act”; and

11 (vi) by striking “elementary or sec-
 12 ondary school in which he is enrolled” and
 13 inserting “school or institution in which
 14 the child is enrolled”.

15 (2) Section 5(c)(7) of the Railroad Retirement
 16 Act of 1974 (45 U.S.C. 235(c)(7)) is amended—

17 (A) by striking “full-time elementary or
 18 secondary school student” and inserting “full-
 19 time student at an educational institution”; and

20 (B) by striking “19” and inserting “22”.

21 (3) The amendments made by this subsection
 22 shall apply to benefits under the Railroad Retirement
 23 Act of 1974 that are payable for months be-
 24 ginning on or after January 1, 2026.

1 **SEC. 6. PAYROLL TAX ON REMUNERATION UP TO CON-**
2 **TRIBUTION AND BENEFIT BASE AND MORE**
3 **THAN \$250,000.**

4 (a) IN GENERAL.—Paragraph (1) of section 3121(a)
5 of the Internal Revenue Code of 1986 is amended to read
6 as follows:

7 “(1) in the case of taxes imposed by sections
8 3101(a) and 3111(a), for any calendar year in which
9 the contribution and benefit base (as determined
10 under section 230 of the Social Security Act) is less
11 than \$250,000, so much of the remuneration (other
12 than remuneration referred to in the succeeding
13 paragraphs of this subsection) with respect to em-
14 ployment that has been paid to an individual by an
15 employer during the calendar year as exceeds such
16 contribution and benefit base but does not exceed
17 \$250,000;”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) SUCCESSOR EMPLOYERS.—Section 3121 of
20 the Internal Revenue Code of 1986 is amended by
21 adding at the end the following new subsection:

22 “(aa) SPECIAL RULES FOR SUCCESSOR EMPLOY-
23 ERS.—For purposes of subsection (a)(1), if an employer
24 (hereinafter referred to as successor employer) during any
25 calendar year acquires substantially all the property used
26 in a trade or business of another employer (hereinafter

1 referred to as a predecessor), or used in a separate unit
 2 of a trade or business of a predecessor, and immediately
 3 after the acquisition employs in his trade or business an
 4 individual who immediately prior to the acquisition was
 5 employed in the trade or business of such predecessor,
 6 then, for the purpose of determining the amount of remuneration
 7 paid by the successor employer under such subsection,
 8 any remuneration (other than remuneration referred to in the paragraphs
 9 succeeding paragraph (1) of subsection (a)) with respect to employment paid (or considered
 10 under this subsection as having been paid) to such individual by such
 11 predecessor during such calendar year and prior to such acquisition
 12 shall be considered as having been paid by such successor employer.”.

15 (2) APPLICATION TO RAILROAD RETIREMENT
 16 TAXES.—Clause (i) of section 3231(e)(2)(A) of such
 17 Code is amended to read as follows:

18 “(i) IN GENERAL.—For any calendar
 19 year in which the applicable base is less
 20 than \$250,000, the term ‘compensation’
 21 does not include so much of the remuneration
 22 paid during any calendar year to an
 23 individual by an employer for services rendered
 24 as an employee to such employer as

1 exceeds the applicable base but does not
 2 exceed \$250,000.”.

3 (c) EFFECTIVE DATE.—The amendments made by
 4 this section shall apply to remuneration paid on or after
 5 January 1 of the first calendar year that begins after the
 6 date of enactment of this Act.

7 **SEC. 7. TAX ON NET EARNINGS FROM SELF-EMPLOYMENT**
 8 **UP TO CONTRIBUTION AND BENEFIT BASE**
 9 **AND MORE THAN \$250,000.**

10 (a) IN GENERAL.—Paragraph (1) of section 1402(b)
 11 of the Internal Revenue Code of 1986 is amended to read
 12 as follows:

13 “(1) in the case of the tax imposed by section
 14 1401(a) for any taxable year beginning in a calendar
 15 year in which the contribution and benefit base (as
 16 determined under section 230 of the Social Security
 17 Act) is less than \$250,000, the excess (if any) of—

18 “(A) so much of the net earnings from
 19 self-employment which is in excess of—

20 “(i) an amount equal to the contribu-
 21 tion and benefit base (as determined under
 22 section 230 of the Social Security Act)
 23 which is effective for the calendar year in
 24 which such taxable year begins, minus

1 “(ii) the amount of the wages paid to
 2 such individual during such taxable years,
 3 over

4 “(B) the sum of—

5 “(i) the excess (if any) of—

6 “(I) the net earning from self-
 7 employment reduced by the excess (if
 8 any) of subparagraph (A)(i) over sub-
 9 paragraph (A)(ii), over

10 “(II) \$250,000, reduced by such
 11 contribution and benefit base, plus

12 “(ii) the amount of the wages paid to
 13 such individual during such taxable year in
 14 excess of such contribution and benefit
 15 base and not in excess of \$250,000; or”.

16 (b) EFFECTIVE DATE.—The amendments made by
 17 this section shall apply to net earnings from self-employ-
 18 ment derived, and remuneration paid, on or after January
 19 1 of the first calendar year that begins after the date of
 20 enactment of this Act.

21 **SEC. 8. TAX ON INVESTMENT GAIN.**

22 (a) INCREASE IN TAX.—

23 (1) IN GENERAL.—Subsection (a) of section
 24 1411 of the Internal Revenue Code of 1986 is

1 amended by striking “3.8 percent” each place it ap-
2 pears and inserting “16.2 percent”.

3 (2) CONFORMING AMENDMENT.—The heading
4 for chapter 2A of the Internal Revenue Code of
5 1986 is amended by striking “**UNEARNED IN-**
6 **COME MEDICARE CONTRIBUTION**” and
7 inserting “**ADDITIONAL TAX ON UN-**
8 **EARNED INCOME IN LIEU OF SOCIAL**
9 **SECURITY AND MEDICARE TAXES**”.

10 (b) INCLUSION OF ACTIVE TRADE OR BUSINESS IN-
11 COME.—

12 (1) IN GENERAL.—Section 1411(c)(1)(A) of the
13 Internal Revenue Code of 1986 is amended—

14 (A) in clause (i), by striking “, other than
15 such income which is derived in the ordinary
16 course of a trade or business not described in
17 paragraph (2)”,

18 (B) in clause (ii), by striking “described in
19 paragraph (2)” and inserting “(determined
20 under rules similar to the rules of paragraphs
21 (5) and (6) of section 469(c))”, and

22 (C) in clause (iii), by striking “other than
23 property held in a trade or business not de-
24 scribed in paragraph (2)”.

1 (2) DENIAL OF DEDUCTION FOR NET OPER-
2 ATING LOSSES.—Section 1411(c)(1)(B) of such Code
3 is amended by inserting “(other than the deduction
4 for net operating losses provided in section 172)”
5 after “net gain”.

6 (3) CONFORMING AMENDMENTS.—

7 (A) Section 1411(c) of such Code is
8 amended by striking paragraphs (2), (3), and
9 (4) and by redesignating paragraphs (5) and
10 (6) as paragraphs (2) and (3), respectively.

11 (B) Section 1411(c)(3) of such Code, as
12 redesignated by subparagraph (A), is amended
13 to read as follows:

14 “(3) SPECIAL RULE.—Net investment income
15 shall not include—

16 “(A) any item taken into account in deter-
17 mining self-employment income for such taxable
18 year on which a tax is imposed by section 1401,
19 or

20 “(B) any item taken into account in deter-
21 mining wages received with respect to employ-
22 ment for such taxable year on which a tax is
23 imposed by section 3101.”.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 the date of enactment of this Act.

4 **SEC. 9. SOCIAL SECURITY TRUST FUND ESTABLISHED.**

5 (a) IN GENERAL.—Section 201(a) of the Social Secu-
6 rity Act (42 U.S.C. 401(a)) is amended to read as follows:

7 “(a) There is hereby created on the books of the
8 Treasury of the United States a trust fund to be known
9 as the ‘Social Security Trust Fund’. The Social Security
10 Trust Fund shall consist of the securities held by the Sec-
11 retary of the Treasury for the Federal Old-Age and Sur-
12 vivors Insurance Trust Fund and the Federal Disability
13 Insurance Trust Fund and the amount standing to the
14 credit of the Federal Old-Age and Survivors Insurance
15 Trust Fund and the Federal Disability Insurance Trust
16 Fund on the books of the Treasury on January 1 of the
17 first calendar year beginning after the date of the enact-
18 ment of section 9 of the Social Security Expansion Act,
19 which securities and amount the Secretary of the Treasury
20 is authorized and directed to transfer to the Social Secu-
21 rity Trust Fund, and, in addition, such gifts and bequests
22 as may be made as provided in subsection (i)(1), and such
23 amounts as may be appropriated to, or deposited in, the
24 Social Security Trust Fund as hereinafter provided. There
25 is hereby appropriated to the Social Security Trust Fund

1 for the first fiscal year that begins after the date of the
2 enactment of section 9 of the Social Security Expansion
3 Act, and for each fiscal year thereafter, out of any moneys
4 in the Treasury not otherwise appropriated, amounts
5 equivalent to 100 percent of—

6 “(1) the taxes imposed by chapter 21 (other
7 than sections 3101(b) and 3111(b)) of the Internal
8 Revenue Code of 1986 with respect to wages (as de-
9 fined in section 3121 of such Code) reported to the
10 Secretary of the Treasury pursuant to subtitle F of
11 the Internal Revenue Code of 1986, as determined
12 by the Secretary of the Treasury by applying the ap-
13 plicable rates of tax under such chapter (other than
14 sections 3101(b) and 3111(b)) to such wages, which
15 wages shall be certified by the Commissioner of So-
16 cial Security on the basis of the records of wages es-
17 tablished and maintained by such Commissioner in
18 accordance with such reports;

19 “(2) the taxes imposed by chapter 2 (other than
20 section 1401(b)) of the Internal Revenue Code of
21 1986 with respect to self-employment income (as de-
22 fined in section 1402 of such Code) reported to the
23 Secretary of the Treasury on tax returns under sub-
24 title F of such Code, as determined by the Secretary
25 of the Treasury by applying the applicable rate of

1 tax under such chapter (other than section 1401(b))
2 to such self-employment income, which self-employ-
3 ment income shall be certified by the Commissioner
4 of Social Security on the basis of the records of self-
5 employment income established and maintained by
6 the Commissioner of Social Security in accordance
7 with such returns; and

8 “(3) 62 percent of the taxes imposed under sec-
9 tion 1411 of the Internal Revenue Code of 1986.

10 The amounts appropriated by paragraphs (1), (2), and (3)
11 shall be transferred from time to time from the general
12 fund in the Treasury to the Social Security Trust Fund,
13 such amounts to be determined on the basis of estimates
14 by the Secretary of the Treasury of the taxes, specified
15 in paragraphs (1), (2), and (3), paid to or deposited into
16 the Treasury; and proper adjustments shall be made in
17 amounts subsequently transferred to the extent prior esti-
18 mates were in excess of or were less than the taxes speci-
19 fied in such paragraphs. All amounts transferred to the
20 Social Security Trust Fund under the preceding sentence
21 shall be invested by the Managing Trustee in the same
22 manner and to the same extent as the other assets of the
23 Trust Fund. Notwithstanding the preceding sentence, in
24 any case in which the Secretary of the Treasury deter-
25 mines that the assets of the Trust Fund would otherwise

1 be inadequate to meet the Trust Fund's obligations for
2 any month, the Secretary of the Treasury shall transfer
3 to the Trust Fund on the first day of such month the
4 total amount which would have been transferred to the
5 Trust Fund under this section as in effect on October 1,
6 1990; and the Trust Fund shall pay interest to the general
7 fund on the amount so transferred on the first day of any
8 month at a rate (calculated on a daily basis, and applied
9 against the difference between the amount so transferred
10 on such first day and the amount which would have been
11 transferred to the Trust Fund up to that day under the
12 procedures in effect on January 1, 1983) equal to the rate
13 earned by the investments of the Trust Fund in the same
14 month under subsection (d).”.

15 (b) REQUIRED ACTUARIAL ANALYSIS.—Section
16 201(c) of the Social Security Act is amended by striking
17 the fourth sentence in the matter following paragraph (5)
18 and inserting the following: “Such report shall also include
19 actuarial analysis of the benefit cost with respect to dis-
20 abled beneficiaries and their auxiliaries, to retired bene-
21 ficiaries and their auxiliaries, and to survivor bene-
22 ficiaries.”.

23 (c) BOARD OF TRUSTEES.—

24 (1) BOARD OF TRUSTEES OF SOCIAL SECURITY
25 TRUST FUND.—Section 201(c) of the Social Security

1 Act, as amended by subsection (b) of this section, is
2 further amended in the matter preceding paragraph
3 (1) by striking “the Federal Old-Age and Survivors
4 Insurance Trust Fund and the Federal Disability
5 Insurance Trust Fund (hereinafter in this title
6 called the ‘Trust Funds’)” and inserting “the Social
7 Security Trust Fund (in this title referred to as the
8 ‘Trust Fund’)”.

9 (2) CONTINUITY OF BOARD OF TRUSTEES.—

10 The Board of Trustees of the Social Security Trust
11 Fund created by the amendment made by subsection
12 (a) shall be a continuous body with the Board of
13 Trustees of the Federal Old-Age and Survivors In-
14 surance Trust Fund and the Federal Disability In-
15 surance Trust Fund in operation prior to the effec-
16 tive date of such amendment. Individuals serving as
17 members of the Board of Trustees of the Federal
18 Old-Age and Survivors Insurance Trust Fund and
19 the Federal Disability Insurance Trust Fund as of
20 the effective date of such amendment shall serve the
21 remainder of their term as members of the Board of
22 Trustees of the Social Security Trust Fund.

23 (d) CONFORMING AMENDMENTS RELATED TO SO-
24 CIAL SECURITY TRUST FUND.—

1 (1) AMENDMENT TO SECTION HEADING.—The
2 section heading for section 201 of the Social Secu-
3 rity Act is amended to read as follows: “SOCIAL SE-
4 CURITY TRUST FUND”.

5 (2) BOARD OF TRUSTEES.—Section 201(c) of
6 such Act, as amended by subsections (b) and (c)(1),
7 is further amended—

8 (A) in the matter preceding paragraph (1),
9 by striking “Board of Trustees of the Trust
10 Funds” and inserting “Board of Trustees of
11 the Trust Fund”;

12 (B) in paragraph (1), by striking “Trust
13 Funds” and inserting “Trust Fund”;

14 (C) in paragraph (2)—

15 (i) by striking “Trust Funds” and in-
16 serting “Trust Fund”; and

17 (ii) by striking “their” and inserting
18 “its”;

19 (D) in paragraph (3), by striking “either
20 of the Trust Funds” and inserting “the Trust
21 Fund”;

22 (E) in paragraph (5)—

23 (i) by striking “managing the Trust
24 Funds” and inserting “managing the
25 Trust Fund”; and

1 (ii) by striking “Trust Funds are”
2 and inserting “Trust Fund is”;

3 (F) in the matter following paragraph (5),
4 by striking “Trust Funds” each place it ap-
5 pears and inserting “Trust Fund”; and

6 (G) in the second sentence in the matter
7 following paragraph (5), by striking “whether
8 the Federal Old-Age and Survivors Insurance
9 Trust Fund and the Federal Disability Insur-
10 ance Trust Fund, individually and collectively,
11 are” and inserting “whether the Social Security
12 Trust Fund is”.

13 (3) INVESTMENTS.—Section 201 of such Act is
14 amended in subsections (d) and (e) by striking
15 “Trust Funds” each place it appears and inserting
16 “Trust Fund”.

17 (4) CREDITING OF INTEREST AND PROCEEDS
18 TO TRUST FUNDS.—Section 201(f) of such Act is
19 amended—

20 (A) by striking “the Federal Old-Age and
21 Survivors Insurance Trust Fund and the Fed-
22 eral Disability Insurance Trust Fund shall be
23 credited to and form a part of the Federal Old-
24 Age and Survivors Insurance Trust Fund and
25 the Disability Insurance Trust Fund, respec-

1 tively” and inserting “the Social Security Trust
 2 Fund shall be credited to and form a part of
 3 the Social Security Trust Fund”;

4 (B) by striking “either of the Trust
 5 Funds” and inserting “the Trust Fund”; and

6 (C) by striking “such Trust Fund” and in-
 7 serting “the Trust Fund”.

8 (5) ADMINISTRATIVE COSTS.—Section 201(g) of
 9 such Act is amended—

10 (A) in paragraph (1)—

11 (i) in subparagraph (A), by striking
 12 “Of the amounts authorized to be made
 13 available out of the Federal Old-Age and
 14 Survivors Insurance Trust Fund and the
 15 Federal Disability Insurance Trust Fund
 16 under the preceding sentence” and all that
 17 follows through “(Public Law 103–296).”;
 18 and

19 (ii) in subparagraph (B)(i)—

20 (I) by striking subclauses (II)

21 and (III) and inserting the following:

22 “(II) the portion of such costs which
 23 should have been borne by the Social Security
 24 Trust Fund,”; and

1 (II) by redesignating subclauses
2 (IV) and (V) as subclauses (III) and
3 (IV);

4 (B) in paragraph (2)—

5 (i) by striking “Trust Funds” and in-
6 serting “Trust Fund”; and

7 (ii) by striking the last sentence; and

8 (C) in paragraph (4), by striking “Trust
9 Funds” each place it appears and inserting
10 “Trust Fund”.

11 (6) BENEFIT PAYMENTS.—Section 201(h) of
12 such Act is amended to read as follows:

13 “(h) All benefit payments required to be made under
14 this title shall be made only from the Social Security Trust
15 Fund.”.

16 (7) GIFTS.—Section 201(i) of such Act is
17 amended—

18 (A) in paragraph (1), by striking “the
19 Federal Old-Age and Survivors Insurance Trust
20 Fund, the Federal Disability Insurance Trust
21 Fund” and inserting “the Social Security Trust
22 Fund”; and

23 (B) in paragraph (2)(B), by striking “the
24 Federal Old-Age and Survivors Insurance Trust

1 Fund” and inserting “the Social Security Trust
2 Fund”.

3 (8) TRAVEL EXPENSES.—Section 201(j) of such
4 Act is amended by striking “the Federal Old-Age
5 and Survivors Insurance Trust Fund, or the Federal
6 Disability Insurance Trust Fund (as determined ap-
7 propriate by the Commissioner of Social Security)”
8 and inserting “the Social Security Trust Fund”.

9 (9) DEMONSTRATION PROJECTS.—Section
10 201(k) of such Act is amended by striking “the Fed-
11 eral Disability Insurance Trust Fund and the Fed-
12 eral Old-Age and Survivors Insurance Trust Fund,
13 as determined appropriate by the Commissioner of
14 Social Security” and inserting “the Social Security
15 Trust Fund”.

16 (10) BENEFIT CHECKS.—Section 201(m) of
17 such Act is amended—

18 (A) in paragraph (2), by striking “each of
19 the Trust Funds” and inserting “the Social Se-
20 curity Trust Fund”;

21 (B) in paragraph (3), by striking “one of
22 the Trust Funds” and inserting “the Trust
23 Fund”; and

1 (C) by striking “such Trust Fund” each
2 place it appears and inserting “the Trust
3 Fund”.

4 (11) CONFORMING REPEALS.—

5 (A) IN GENERAL.—Section 201 of such
6 Act is amended by striking subsections (b), (l),
7 and (n).

8 (B) REDESIGNATIONS.—Section 201 of
9 such Act is further amended—

10 (i) by redesignating subsections (c)
11 through (j) as subsections (b) through (i),
12 respectively;

13 (ii) by redesignating subsection (k) as
14 subsection (j); and

15 (iii) by redesignating subsection (m)
16 as subsection (k).

17 (C) REFERENCES TO REDESIGNATED SEC-
18 TIONS.—

19 (i) Section 201(a) of such Act, as
20 amended by subsection (a) of this section,
21 is further amended—

22 (I) by striking “subsection
23 (i)(1)” and inserting “subsection
24 (h)(1)”; and

1 (II) by striking “subsection (d)”
2 and inserting “subsection (c)”.

3 (ii) Section 1131(b)(1) of such Act is
4 amended by striking “section 201(g)(1)”
5 and inserting “section 201(f)(1)”.

6 (e) OTHER CONFORMING AMENDMENTS TO SOCIAL
7 SECURITY ACT.—

8 (1) TITLE II.—Title II of the Social Security
9 Act (42 U.S.C. 401 et seq.) is amended—

10 (A) in section 202(x)(3)(B)(iii), by striking
11 “the Federal Old-Age and Survivors Insurance
12 Trust Fund and the Federal Disability Insur-
13 ance Trust Fund, as appropriate,” and insert-
14 ing “the Social Security Trust Fund”;

15 (B) in section 206(d)(5), by striking “the
16 Federal Old-Age and Survivors Insurance Trust
17 Fund and the Federal Disability Insurance
18 Trust Fund, as appropriate” and inserting “the
19 Social Security Trust Fund”;

20 (C) in section 206(e)(3)(B), by striking
21 “the Federal Old-Age and Survivors Insurance
22 Trust Fund and the Federal Disability Insur-
23 ance Trust Fund” and inserting “the Social Se-
24 curity Trust Fund”;

1 (D) in section 208(b)(5)(A), by striking
2 “the Federal Old-Age and Survivors Insurance
3 Trust Fund, or the Federal Disability Insur-
4 ance Trust Fund, as appropriate” and inserting
5 “the Social Security Trust Fund”;

6 (E) in section 215(i)(1)(F)—

7 (i) in clause (i)—

8 (I) by striking “the combined
9 balance in the Federal Old-Age and
10 Survivors Insurance Trust Fund and
11 the Federal Disability Insurance
12 Trust Fund” and inserting “the bal-
13 ance in the Social Security Trust
14 Fund”; and

15 (II) by striking “and reduced by
16 the outstanding amount of any loan
17 (including interest thereon) thereto-
18 fore made to either such Fund from
19 the Federal Hospital Insurance Trust
20 Fund under section 201(l)”;

21 (ii) in clause (ii)—

22 (I) by striking “the Federal Old-
23 Age and Survivors Insurance Trust
24 Fund and the Federal Disability In-
25 surance Trust Fund” and inserting

1 “the Social Security Trust Fund”;
2 and

3 (II) by striking “(other than pay-
4 ments” and all that follows through
5 “from that Account”;

6 (F) in section 217(g)(2), by inserting after
7 the first sentence the following: “For purposes
8 of any such revision of the amount determined
9 under paragraph (1) that occurs in a year that
10 begins after the year in which the Social Secu-
11 rity Expansion Act is enacted, any reference in
12 such paragraph to the Federal Old-Age and
13 Survivors Insurance Trust Fund or the Federal
14 Disability Insurance Trust Fund shall be
15 deemed to be a reference to the Social Security
16 Trust Fund.”;

17 (G) in section 221(e)—

18 (i) by striking “Trust Funds” each
19 place it appears and inserting “Trust
20 Fund”; and

21 (ii) by striking the last sentence;

22 (H) in section 221(f), by striking “Trust
23 Funds” and inserting “Trust Fund”;

24 (I) in section 222(d)—

1 (i) in the section heading, by striking
2 “TRUST FUNDS” and inserting “TRUST
3 FUND”;

4 (ii) in paragraph (1), by striking “to
5 the end that savings will accrue to the
6 Trust Funds as a result of rehabilitating
7 such individuals, there are authorized to be
8 transferred from the Federal Old-Age and
9 Survivors Insurance Trust Fund and the
10 Federal Disability Insurance Trust Fund”
11 and inserting “to the end that savings will
12 accrue to the Trust Fund as a result of re-
13 habilitating such individuals, there are au-
14 thorized to be transferred from the Social
15 Security Trust Fund”; and

16 (iii) by amending paragraph (4) to
17 read as follows:

18 “(4) The Commissioner of Social Security shall deter-
19 mine according to such methods and procedures as the
20 Commissioner may deem appropriate the total amount to
21 be reimbursed for the cost of services under this sub-
22 section.”;

23 (J) in section 228(g)—

24 (i) in the section heading, by striking
25 “FEDERAL OLD-AGE AND SURVIVORS IN-

1 SURANCE TRUST FUND” and inserting
2 “SOCIAL SECURITY TRUST FUND”; and

3 (ii) in the matter preceding paragraph
4 (1), by striking “Federal Old-Age and Sur-
5 vivors Insurance Trust Fund” and insert-
6 ing “Social Security Trust Fund”;

7 (K) in section 231(c), by striking “Trust
8 Funds” each place it appears and inserting
9 “Trust Fund”; and

10 (L) in section 234(a)(1), by striking
11 “Trust Funds” and inserting “Trust Fund”.

12 (2) TITLE VII.—Title VII of the Social Security
13 Act (42 U.S.C. 901 et seq.) is amended—

14 (A) in section 703(j), by striking “Federal
15 Disability Insurance Trust Fund, the Federal
16 Old-Age and Survivors Insurance Trust Fund,”
17 and inserting “Social Security Trust Fund”;

18 (B) in section 708(c), by striking “the
19 ‘OASDI trust fund ratio’ under section 201(l),”
20 after “computing”;

21 (C) in section 709—

22 (i) in subsection (a), by striking “Fed-
23 eral Old-Age and Survivors Insurance
24 Trust Fund and the Federal Disability In-

1 surance Trust Fund” and inserting “Social
2 Security Trust Fund”; and

3 (ii) in subsection (b)—

4 (I) in paragraph (1), by striking
5 “section 201(l) or”; and

6 (II) in paragraph (2), by striking
7 “Federal Old-Age and Survivors In-
8 surance Trust Fund and the Federal
9 Disability Insurance Trust Fund” and
10 inserting “Social Security Trust
11 Fund”; and

12 (D) in section 710—

13 (i) in subsection (a), by striking “Fed-
14 eral Old-Age and Survivors Insurance
15 Trust Fund and the Federal Disability In-
16 surance Trust Fund” and inserting “Social
17 Security Trust Fund”; and

18 (ii) in subsection (b)—

19 (I) by striking “any Trust Fund
20 specified in subsection (a)” and in-
21 serting “the Social Security Trust
22 Fund”; and

23 (II) by striking “payments from
24 any such Trust Fund” and inserting

1 “payments from the Social Security
2 Trust Fund”.

3 (3) TITLE XI.—Title XI of the Social Security
4 Act (42 U.S.C. 1301 et seq.) is amended—

5 (A) in section 1106(b), by striking “the
6 Federal Old-Age and Survivors Insurance Trust
7 Fund, the Federal Disability Insurance Trust
8 Fund” and inserting “the Social Security Trust
9 Fund”;

10 (B) in section 1129(e)(2)(A), by striking
11 “the Federal Old-Age and Survivors Insurance
12 Trust Fund or the Federal Disability Insurance
13 Trust Fund, as determined appropriate by the
14 Secretary” and inserting “the Social Security
15 Trust Fund”;

16 (C) in sections 1131(b)(2) and 1140(c)(2),
17 by striking “the Federal Old-Age and Survivors
18 Insurance Trust Fund” and inserting “the So-
19 cial Security Trust Fund”;

20 (D) in section 1145(c)—

21 (i) by striking paragraphs (1) and (2)
22 and inserting the following:

23 “(1) the Social Security Trust Fund;” and

1 (ii) by redesignating paragraphs (3)
 2 and (4) as paragraphs (2) and (3), respec-
 3 tively; and

4 (E) in section 1148(j)(1)(A)—

5 (i) in the first sentence, by striking
 6 “the Federal Old-Age and Survivors Insur-
 7 ance Trust Fund and the Federal Dis-
 8 ability Insurance Trust Fund” and insert-
 9 ing “the Social Security Trust Fund”; and

10 (ii) by striking the second sentence.

11 (4) TITLE XVIII.—Title XVIII of the Social Se-
 12 curity Act (42 U.S.C. 1395) is amended—

13 (A) in section 1817(g), by striking “Fed-
 14 eral Old-Age and Survivors Insurance Trust
 15 Fund and from the Federal Disability Insur-
 16 ance Trust Fund” and inserting “Social Secu-
 17 rity Trust Fund”;

18 (B) in section 1840(a)(2), by striking
 19 “Federal Old-Age and Survivors Insurance
 20 Trust Fund or the Federal Disability Insurance
 21 Trust Fund” and inserting “Social Security
 22 Trust Fund”; and

23 (C) in section 1841(f), by striking “Fed-
 24 eral Old-Age and Survivors Insurance Trust
 25 Fund and from the Federal Disability Insur-

1 ance Trust Fund” and inserting “Social Secu-
2 rity Trust Fund”.

3 (f) CONFORMING AMENDMENTS OUTSIDE OF SOCIAL
4 SECURITY ACT.—

5 (1) BUDGET.—

6 (A) OFF-BUDGET EXEMPTION.—Section
7 405(a) of the Congressional Budget Act of
8 1974 (2 U.S.C. 655(a)) is amended by striking
9 “Federal Old-Age and Survivors Insurance and
10 Federal Disability Insurance Trust Funds” and
11 inserting “Social Security Trust Fund”.

12 (B) SEQUESTRATION EXEMPTION.—Sec-
13 tion 255(g)(1)(A) of the Balanced Budget and
14 Emergency Deficit Control Act of 1985 (2
15 U.S.C. 905(g)(1)(A)) is amended by striking
16 “Payments to Social Security Trust Funds”
17 and inserting “Payments to the Social Security
18 Trust Fund”.

19 (2) TAX.—

20 (A) TAXABLE WAGES.—Section 3121(l)(4)
21 of the Internal Revenue Code of 1986 is
22 amended by striking “Federal Old-Age and
23 Survivors Insurance Trust Fund and the Fed-
24 eral Disability Insurance Trust Fund” and in-
25 serting “Social Security Trust Fund”.

1 (B) OVERPAYMENTS.—

2 (i) Section 6402(d)(3)(C) of the Inter-
3 nal Revenue Code of 1986 is amended by
4 striking “Federal Old-Age and Survivors
5 Insurance Trust Fund or the Federal Dis-
6 ability Insurance Trust Fund, whichever is
7 certified to the Secretary as appropriate by
8 the Commissioner of Social Security” and
9 inserting “Social Security Trust Fund”.

10 (ii) Subsection (f)(2)(B) of section
11 3720A of title 31, United States Code, is
12 amended by striking “Federal Old-Age and
13 Survivors Insurance Trust Fund or the
14 Federal Disability Insurance Trust Fund,
15 whichever is certified to the Secretary of
16 the Treasury as appropriate by the Com-
17 missioner of Social Security” and inserting
18 “Social Security Trust Fund”.

19 (3) FALSE CLAIMS PENALTIES.—Subsection
20 (g)(2) of section 3806 of title 31, United States
21 Code, is amended—

22 (A) in subparagraph (B)—

23 (i) by striking “Secretary of Health
24 and Human Services” and inserting “Com-
25 missioner of Social Security”; and

1 (ii) by striking “Federal Old-Age and
 2 Survivors Insurance Trust Fund” and in-
 3 serting “Social Security Trust Fund”; and
 4 (B) in subparagraph (C)—

5 (i) by striking “Secretary of Health
 6 and Human Services” and inserting “Com-
 7 missioner of Social Security”; and

8 (ii) by striking “Federal Disability In-
 9 surance Trust Fund” and inserting “Social
 10 Security Trust Fund”.

11 (4) RAILROAD RETIREMENT BOARD.—Section 7
 12 of the Railroad Retirement Act of 1974 (45 U.S.C.
 13 231f) is amended—

14 (A) in subsection (b)(2), by striking “Fed-
 15 eral Old-Age and Survivors Insurance Trust
 16 Fund and the Federal Disability Insurance
 17 Trust Fund” and inserting “Social Security
 18 Trust Fund”;

19 (B) in subsection (c)(2)—

20 (i) by striking “Secretary of Health,
 21 Education, and Welfare” each time it ap-
 22 pears and inserting “Commissioner of So-
 23 cial Security”; and

24 (ii) by striking “Federal Old-Age and
 25 Survivors Insurance Trust Fund, the Fed-

1 eral Disability Insurance Trust Fund,”
2 each time it appears and inserting “Social
3 Security Trust Fund”; and

4 (C) in subsection (c)(4), by striking “Fed-
5 eral Old-Age and Survivors Insurance Trust
6 Fund, the Federal Disability Insurance Trust
7 Fund,” and inserting “Social Security Trust
8 Fund”.

9 (g) RULE OF CONSTRUCTION.—Effective beginning
10 on January 1 of the first calendar year beginning after
11 the date of the enactment of this section, any reference
12 in law to the “Federal Old-Age and Survivors Insurance
13 Trust Fund” or the “Federal Disability Insurance Trust
14 Fund” is deemed to be a reference to the Social Security
15 Trust Fund.

16 (h) EFFECTIVE DATE.—The amendments made by
17 this section shall take effect on January 1 of the first cal-
18 endar year beginning after the date of the enactment of
19 this section.

○