

113<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5243

To eliminate the payroll tax for individuals who have attained retirement age, to amend title II of the Social Security Act to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits under such title, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2014

Mr. DESANTIS (for himself and Mr. FRANKS of Arizona) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To eliminate the payroll tax for individuals who have attained retirement age, to amend title II of the Social Security Act to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits under such title, 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 “Let Seniors Work Act  
5 of 2014”.

1 **SEC. 2. ELIMINATION OF PAYROLL TAX FOR INDIVIDUALS**  
2 **WHO HAVE ATTAINED RETIREMENT AGE.**

3 (a) IN GENERAL.—Section 230 of the Social Security  
4 Act (42 U.S.C. 430) is amended—

5 (1) in subsection (a), by striking “subsection  
6 (b) or (c)” and inserting “subsection (b), (c), or  
7 (e)”,

8 (2) in subsection (b), by striking “subsection  
9 (c)” and inserting “subsections (c) and (e)”, and

10 (3) by adding at the end the following new sub-  
11 section:

12 “(e) Notwithstanding any other provision of law, the  
13 contribution and benefit base determined under this sec-  
14 tion for any calendar year after 2014 for any individual  
15 who has attained retirement age (as defined in section  
16 216(l)(1)) shall be reduced to zero.”.

17 (b) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to remuneration paid in any cal-  
19 endar year after 2014.

20 **SEC. 3. REPEAL OF PROVISIONS RELATING TO DEDUC-**  
21 **TIONS ON ACCOUNT OF WORK.**

22 (a) IN GENERAL.—Subsections (b), (c)(1), (d), (f),  
23 (h), (j), and (k) of section 203 of the Social Security Act  
24 (42 U.S.C. 403) are repealed.

1 (b) CONFORMING AMENDMENTS.—Section 203 of  
2 such Act (as amended by subsection (a)) is further amend-  
3 ed—

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

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

8 (B) by redesignating paragraphs (2), (3),  
9 and (4) as paragraphs (1), (2), and (3), respec-  
10 tively;

11 (C) by striking “For purposes of para-  
12 graphs (2), (3), and (4)” and inserting “For  
13 purposes of paragraphs (1), (2), and (3)”; and

14 (D) by striking the last sentence;

15 (2) in subsection (e), by redesignating such sub-  
16 section as subsection (c), and by striking “sub-  
17 sections (c) and (d)” and inserting “subsection (b)”;  
18

19 (3) in subsection (g), by redesignating such  
20 subsection as subsection (d), and by striking “sub-  
21 section (c)” each place it appears and inserting  
22 “subsection (b)”; and

23 (4) in subsection (l), by redesignating such sub-  
24 section as subsection (e), and by striking “sub-  
25 section (g) or (h)(1)(A)” and inserting “subsection  
(d)”.

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

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

7 (b) PROVISIONS RELATING TO EXEMPTIONS FROM  
8 REDUCTIONS BASED ON EARLY RETIREMENT.—

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

12 (2) Section 202(q)(7)(A) of such Act (42  
13 U.S.C. 402(q)(7)(A)) is amended by striking “de-  
14 ductions under section 203(b), 203(c)(1), 203(d)(1),  
15 or 222(b)” and inserting “deductions on account of  
16 work under section 203 or deductions under section  
17 222(b)”.

18 (c) PROVISIONS RELATING TO EXEMPTIONS FROM  
19 REDUCTIONS BASED ON DISREGARD OF CERTAIN ENTI-  
20 TLEMENTS TO CHILD’S INSURANCE BENEFITS.—

21 (1) Section 202(s)(1) of such Act (42 U.S.C.  
22 402(s)(1)) is amended by striking “paragraphs (2),  
23 (3), and (4) of section 203(c)” and inserting “para-  
24 graphs (1), (2), and (3) of section 203(b)”.

25 (2) Section 202(s)(3) of such Act (42 U.S.C.  
26 402(s)(3)) is amended by striking “The last sen-

1 tence of subsection (c) of section 203, subsection  
2 (f)(1)(C) of section 203, and subsections” and in-  
3 serting “Subsections”.

4 (d) PROVISIONS RELATING TO SUSPENSION OF  
5 ALIENS’ BENEFITS.—Section 202(t)(7) of such Act (42  
6 U.S.C. 402(t)(7)) is amended by striking “Subsections  
7 (b), (c), and (d)” and inserting “Subsection (b)”.

8 (e) PROVISIONS RELATING TO REDUCTIONS IN BEN-  
9 EFITS BASED ON MAXIMUM BENEFITS.—Section  
10 203(a)(3)(B)(iii) of such Act (42 U.S.C.  
11 403(a)(3)(B)(iii)) is amended by striking “and subsections  
12 (b), (c), and (d)” and inserting “and subsection (b)”.

13 (f) PROVISIONS RELATING TO PENALTIES FOR MIS-  
14 REPRESENTATIONS CONCERNING EARNINGS FOR PERI-  
15 ODS SUBJECT TO DEDUCTIONS ON ACCOUNT OF WORK.—  
16 Section 208(a)(1)(C) of such Act (42 U.S.C.  
17 408(a)(1)(C)) is amended by striking “under section  
18 203(f) of this title for purposes of deductions from bene-  
19 fits” and inserting “under section 203 for purposes of de-  
20 ductions from benefits on account of work”.

21 (g) PROVISIONS TAKING INTO ACCOUNT EARNINGS  
22 IN DETERMINING BENEFIT COMPUTATION YEARS.—  
23 Clause (I) in the next to last sentence of section  
24 215(b)(2)(A) of such Act (42 U.S.C. 415(b)(2)(A)) is  
25 amended by striking “no earnings as described in section

1 203(f)(5) in such year” and inserting “no wages, and no  
2 net earnings from self-employment (in excess of net loss  
3 from self-employment), in such year”.

4 (h) PROVISIONS RELATING TO ROUNDING OF BENE-  
5 FITS.—Section 215(g) of such Act (42 U.S.C. 415(g)) is  
6 amended by striking “and any deduction under section  
7 203(b)”.

8 (i) PROVISIONS RELATING TO EARNINGS TAKEN  
9 INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL  
10 ACTIVITY OF BLIND INDIVIDUALS.—The second sentence  
11 of section 223(d)(4)(A) of such Act (42 U.S.C.  
12 423(d)(4)(A)) is amended by striking “if section 102 of  
13 the Senior Citizens Right to Work Act of 1996 had not  
14 been enacted” and inserting the following: “if the amend-  
15 ments to section 203 made by section 102 of the Senior  
16 Citizens Right to Work Act of 1996 and by the Social Se-  
17 curity Earnings Test Repeal Act of 2014 had not been  
18 enacted”.

19 (j) PROVISIONS DEFINING INCOME FOR PURPOSES  
20 OF SSI.—Section 1612(a) of such Act (42 U.S.C.  
21 1382a(a)) is amended—

22 (1) by striking “as determined under section  
23 203(f)(5)(C)” in paragraph (1)(A) and inserting “as  
24 defined in the last two sentences of this subsection”;  
25 and

1           (2) by adding at the end (after and below para-  
2           graph (2)(H)) the following:

3   “For purposes of paragraph (1)(A), the term ‘wages’  
4   means wages as defined in section 209, but computed  
5   without regard to the limitations as to amounts of remu-  
6   neration specified in paragraphs (1), (6)(B), (6)(C),  
7   (7)(B), and (8) of section 209(a). In making the computa-  
8   tion under the preceding sentence, (A) services which do  
9   not constitute employment as defined in section 210, per-  
10   formed within the United States by an individual as an  
11   employee or performed outside the United States in the  
12   active military or naval services of the United States, shall  
13   be deemed to be employment as so defined if the remu-  
14   neration for such services is not includible in computing  
15   the individual’s net earnings or net loss from self-employ-  
16   ment for purposes of title II, and (B) the term ‘wages’  
17   shall be deemed not to include (i) the amount of any pay-  
18   ment made to, or on behalf of, an employee or any of his  
19   or her dependents (including any amount paid by an em-  
20   ployer for insurance or annuities, or into a fund, to pro-  
21   vide for any such payment) on account of retirement, or  
22   (ii) any payment or series of payments by an employer  
23   to an employee or any of his or her dependents upon or  
24   after the termination of the employee’s employment rela-  
25   tionship because of retirement after attaining an age spec-

1 ified in a plan referred to in section 209(a)(11)(B) or in  
2 a pension plan of the employer.”.

3 (k) REPEAL OF DEDUCTIONS ON ACCOUNT OF WORK  
4 UNDER THE RAILROAD RETIREMENT PROGRAM.—

5 (1) IN GENERAL.—Section 2 of the Railroad  
6 Retirement Act of 1974 (45 U.S.C. 231a) is amend-  
7 ed—

8 (A) by striking subsection (f); and

9 (B) by striking subsection (g)(2) and by  
10 redesignating subsection (g)(1) as subsection  
11 (g).

12 (2) CONFORMING AMENDMENTS.—

13 (A) Section 3(f)(1) of such Act (45 U.S.C.  
14 231b(f)(1)) is amended in the first sentence by  
15 striking “before any reductions under the provi-  
16 sions of section 2(f) of this Act,”.

17 (B) Section 4(g)(2) of such Act (45 U.S.C.  
18 231c(g)(2)) is amended—

19 (i) in clause (i), by striking “shall, be-  
20 fore any deductions under section 2(g) of  
21 this Act,” and inserting “shall”; and

22 (ii) in clause (ii), by striking “any de-  
23 ductions under section 2(g) of this Act and  
24 before”.



1 **SEC. 5. EFFECTIVE DATE.**

2       The amendments and repeals made by sections 3 and  
3 4 of this Act shall apply with respect to taxable years end-  
4 ing on or after the date of the enactment of this Act.

○