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107TH CONGRESS
2D SESSION

H. R. 4789

To amend the Internal Revenue Code of 1986 to repeal the 1993 increase in taxes on Social Security benefits.

IN THE HOUSE OF REPRESENTATIVES

MAY 22, 2002

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

A BILL

To amend the Internal Revenue Code of 1986 to repeal the 1993 increase in taxes on Social Security benefits.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Social Security Beneficiary Tax Reduction Act''.

SEC. 2. REPEAL OF INCREASE IN TAX ON SOCIAL SECURITY BENEFITS.

(a) IN GENERAL.—Paragraph (2) of section 86(a) of the Internal Revenue Code of 1986 (relating to social security and tier 1 railroad retirement benefits) is amended by adding at the end the following new sentence:

"This paragraph shall not apply to any taxable year beginning after December 31, 2002."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 871(a) of such Code is amended by striking "85 percent" in subparagraph (A) and inserting "50 percent".

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98–21) is amended—

(i) by striking "(A) There" and inserting "There";

(ii) by striking "(i)" immediately following "amounts equivalent to"; and

(iii) by striking ", less (ii)" and all that follows and inserting a period.

(B) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(C) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking "paragraph (1)(A)" and inserting "paragraph (1)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

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