

right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

**SPECIAL \$50 PAYMENT UNDER TAX REDUCTION ACT OF 1975**

Special payment of \$50 as soon as practicable after Mar. 29, 1975, by the Secretary of the Treasury to each individual who, for the month of March 1975, was entitled to a monthly insurance benefit payable under this subchapter, see section 702 of Pub. L. 94-12, set out as a note under section 402 of this title.

**§ 432. Processing of tax data**

The Secretary of the Treasury shall make available information returns filed pursuant to part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1986, to the Commissioner of Social Security for the purposes of this subchapter and subchapter XI. The Commissioner of Social Security and the Secretary of the Treasury are authorized to enter into an agreement for the processing by the Commissioner of Social Security of information contained in returns filed pursuant to part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1986. Notwithstanding the provisions of section 6103(a) of the Internal Revenue Code of 1986, the Secretary of the Treasury shall make available to the Commissioner of Social Security such documents as may be agreed upon as being necessary for purposes of such processing. For purposes of carrying out the return processing program described in the preceding sentence, the Commissioner of Social Security shall request, not less than annually, such information described in section 7529(b)(2) of the Internal Revenue Code of 1986 as may be necessary to ensure the accuracy of the records maintained by the Commissioner of Social Security related to the amounts of wages paid to, and the amounts of self-employment income derived by, individuals. The Commissioner of Social Security shall process any withholding tax statements or other documents made available to the Commissioner by the Secretary of the Treasury pursuant to this section. Any agreement made pursuant to this section shall remain in full force and effect until modified or otherwise changed by mutual agreement of the Commissioner of Social Security and the Secretary of the Treasury.

(Aug. 14, 1935, ch. 531, title II, § 232, as added Pub. L. 94-202, § 8(b), Jan. 2, 1976, 89 Stat. 1137; amended Pub. L. 103-296, title I, § 107(a)(4), title III, § 321(c)(6)(L), Aug. 15, 1994, 108 Stat. 1478, 1538; Pub. L. 116-25, title II, § 2007(b)(2), July 1, 2019, 133 Stat. 1006.)

**Editorial Notes**

**REFERENCES IN TEXT**

The Internal Revenue Code of 1986, referred to in text, is classified generally to Title 26, Internal Revenue Code. Part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1986 is classified to section 6031 et seq. of Title 26.

**AMENDMENTS**

2019—Pub. L. 116-25 inserted “For purposes of carrying out the return processing program described in

the preceding sentence, the Commissioner of Social Security shall request, not less than annually, such information described in section 7529(b)(2) of the Internal Revenue Code of 1986 as may be necessary to ensure the accuracy of the records maintained by the Commissioner of Social Security related to the amounts of wages paid to, and the amounts of self-employment income derived by, individuals.” after “such processing.” 1994—Pub. L. 103-296, § 321(c)(6)(L), substituted “1986” for “1954” after “Code of” wherever appearing. Pub. L. 103-296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, except where appearing before “of the Treasury” and substituted “available to the Commissioner” for “available to him”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2019 AMENDMENT**

Amendment by Pub. L. 116-25 applicable to determinations made after the date that is 6 months after July 1, 2019, see section 2007(d) of Pub. L. 116-25, set out as a note under section 7529 of Title 26, Internal Revenue Code.

**EFFECTIVE DATE OF 1994 AMENDMENT**

Amendment by section 107(a)(4) of Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of this title.

**EFFECTIVE DATE**

Pub. L. 94-202, § 8(c), Jan. 2, 1976, 89 Stat. 1137, provided that: “Section 232 of the Social Security Act [42 U.S.C. 432], as added by subsection (b) of this section, shall be effective with respect to statements reporting income received after 1977.”

**§ 433. International agreements**

**(a) Purpose of agreement**

The President is authorized (subject to the succeeding provisions of this section) to enter into agreements establishing totalization arrangements between the social security system established by this subchapter and the social security system of any foreign country, for the purposes of establishing entitlement to and the amount of old-age, survivors, disability, or derivative benefits based on a combination of an individual's periods of coverage under the social security system established by this subchapter and the social security system of such foreign country.

**(b) Definitions**

For the purposes of this section—

(1) the term “social security system” means, with respect to a foreign country, a social insurance or pension system which is of general application in the country and under which periodic benefits, or the actuarial equivalent thereof, are paid on account of old age, death, or disability; and

(2) the term “period of coverage” means a period of payment of contributions or a period of earnings based on wages for employment or on self-employment income, or any similar period recognized as equivalent thereto under this subchapter or under the social security system of a country which is a party to an agreement entered into under this section.

**(c) Crediting periods of coverage; conditions of payment of benefits**

(1) Any agreement establishing a totalization arrangement pursuant to this section shall provide—

(A) that in the case of an individual who has at least 6 quarters of coverage as defined in section 413 of this title and periods of coverage under the social security system of a foreign country which is a party to such agreement, periods of coverage of such individual under such social security system of such foreign country may be combined with periods of coverage under this subchapter and otherwise considered for the purposes of establishing entitlement to and the amount of old-age, survivors, and disability insurance benefits under this subchapter;

(B)(i) that employment or self-employment, or any service which is recognized as equivalent to employment or self-employment under this subchapter or the social security system of a foreign country which is a party to such agreement, shall, on or after the effective date of such agreement, result in a period of coverage under the system established under this subchapter or under the system established under the laws of such foreign country, but not under both, and (ii) the methods and conditions for determining under which system employment, self-employment, or other service shall result in a period of coverage; and

(C) that where an individual's periods of coverage are combined, the benefit amount payable under this subchapter shall be based on the proportion of such individual's periods of coverage which was completed under this subchapter.

(2) Any such agreement may provide that an individual who is entitled to cash benefits under this subchapter shall, notwithstanding the provisions of section 402(t) of this title, receive such benefits while he resides in a foreign country which is a party to such agreement.

(3) Section 426 of this title shall not apply in the case of any individual to whom it would not be applicable but for this section or any agreement or regulation under this section.

(4) Any such agreement may contain other provisions which are not inconsistent with the other provisions of this subchapter and which the President deems appropriate to carry out the purposes of this section.

#### **(d) Regulations**

The Commissioner of Social Security shall make rules and regulations and establish procedures which are reasonable and necessary to implement and administer any agreement which has been entered into in accordance with this section.

#### **(e) Reports to Congress; effective date of agreements**

(1) Any agreement to establish a totalization arrangement entered into pursuant to this section shall be transmitted by the President to the Congress together with a report on the estimated number of individuals who will be affected by the agreement and the effect of the agreement on the estimated income and expenditures of the programs established by this chapter.

(2) Such an agreement shall become effective on any date, provided in the agreement, which occurs after the expiration of the period (fol-

lowing the date on which the agreement is transmitted in accordance with paragraph (1)) during which at least one House of the Congress has been in session on each of 60 days; except that such agreement shall not become effective if, during such period, either House of the Congress adopts a resolution of disapproval of the agreement.

(Aug. 14, 1935, ch. 531, title II, § 233, as added Pub. L. 95-216, title III, § 317(a), Dec. 20, 1977, 91 Stat. 1538; amended Pub. L. 97-35, title XXII, § 2201(b)(12), Aug. 13, 1981, 95 Stat. 831; Pub. L. 98-21, title III, § 326(a), Apr. 20, 1983, 97 Stat. 126; Pub. L. 98-369, div. B, title VI, § 2663(j)(3)(A)(v), July 18, 1984, 98 Stat. 1170; Pub. L. 103-296, title I, § 107(a)(4), Aug. 15, 1994, 108 Stat. 1478.)

### **Editorial Notes**

#### **AMENDMENTS**

1994—Subsec. (d). Pub. L. 103-296 substituted “Commissioner of Social Security” for “Secretary”.

1984—Subsec. (d). Pub. L. 98-369 struck out “of Health, Education, and Welfare” after “Secretary”.

1983—Subsec. (e)(2). Pub. L. 98-21 substituted “during which at least one House of the Congress has been in session on each of 60 days” for “during which each House of the Congress has been in session on each of 90 days”.

1981—Subsec. (c)(2). Pub. L. 97-35 struck out provision permitting the agreement to provide that if the benefit paid by the United States to an individual who legally resides in the United States when added to the benefit paid by the foreign country is less than the benefit amount payable to such individual based on the first figure in, or deemed to be in, column IV of the table in section 415(a) of this title in the case of an individual becoming eligible before Jan. 1, 1979, or based on a primary insurance amount determined under section 415(a)(1)(C)(i)(I) of this title in the case of an individual becoming eligible for such benefit on or after such date, the benefit paid by the United States be increased so that the two benefits equal the benefit amount that would be payable.

### **Statutory Notes and Related Subsidiaries**

#### **EFFECTIVE DATE OF 1994 AMENDMENT**

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of this title.

#### **EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

#### **EFFECTIVE DATE OF 1983 AMENDMENT**

Pub. L. 98-21, title III, § 326(b), Apr. 20, 1983, 97 Stat. 126, provided that: “The amendment made by subsection (a) [amending this section] shall be effective on the date of the enactment of this Act [Apr. 20, 1983].”

#### **EFFECTIVE DATE OF 1981 AMENDMENT**

Amendment by Pub. L. 97-35 applicable with respect to benefits for months after December 1981, with certain exceptions, see section 2(j)(2)-(4) of Pub. L. 97-123, set out as a note under section 415 of this title.

### **§ 434. Demonstration project authority**

#### **(a) Authority**

##### **(1) In general**

The Commissioner of Social Security (in this section referred to as the “Commis-