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(Original Signature of Member)

115TH CONGRESS
1ST SESSION

H. R.

To amend title II of the Social Security Act to make various reforms to Social Security, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. MOORE introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title II of the Social Security Act to make various reforms to Social Security, 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 “Social Security En-
5 hancement and Protection Act of 2017”.

1 **SEC. 2. INCREASE IN SPECIAL MINIMUM BENEFIT FOR**
 2 **LIFETIME LOW EARNERS BASED ON YEARS IN**
 3 **THE WORKFORCE.**

4 Section 215(a)(1)(C) of the Social Security Act (42
 5 U.S.C. 415(a)(1)(C)) is amended to read as follows:

6 “(C)(i) Effective with respect to the benefits of indi-
 7 viduals who become eligible for old-age insurance benefits
 8 or disability insurance benefits (or die before becoming so
 9 eligible) after 2018, no primary insurance amount com-
 10 puted under subparagraph (A) may be less than the appli-
 11 cable percentage of $\frac{1}{12}$ of the annual dollar amount deter-
 12 mined under clause (iv) for the year in which the amount
 13 is determined.

14 “(ii) For purposes of clause (i), the applicable per-
 15 centage is the percentage specified in connection with the
 16 number of years of work, as set forth in the following
 17 table:

“If the number of years of work is:	The applicable percentage is:
11	36.7 percent
12	40.0 percent
13	43.3 percent
14	46.7 percent
15	50.0 percent
16	53.3 percent
17	56.7 percent
18	60.0 percent
19	63.3 percent
20	66.7 percent
21	70.0 percent
22	73.3 percent
23	76.7 percent
24	80.0 percent
25	83.3 percent
26	86.7 percent

“If the number of years of work is:	The applicable percentage is:
27	90.0 percent
28	93.3 percent
29	96.7 percent
30 or more	100.0 percent.

1 “(iii) For purposes of this subparagraph, the term
2 ‘number of years of work’ means, with respect to an indi-
3 vidual, the sum of—

4 “(I) $\frac{1}{4}$ of the total number of quarters of cov-
5 erage credited to such individual (disregarding any
6 fraction); and

7 “(II) the number of years (not exceeding 5) in
8 all of which the individual provided care for a child
9 under 6 years of age who resided in the individual’s
10 home.

11 “(iv)(I) The annual dollar amount determined under
12 this clause is the poverty guideline for the calendar year
13 preceding the calendar year in which the determination
14 is made.

15 “(II) For purposes of this clause, the term ‘poverty
16 guideline’ means the annual poverty guideline (as updated
17 annually in the Federal Register by the Department of
18 Health and Human Services under the authority of section
19 673(2) of the Omnibus Budget Reconciliation Act of
20 1981) as applicable to a single individual.”.

1 **SEC. 3. ESTABLISHMENT OF AN INCREASED BENEFIT FOR**
2 **BENEFICIARIES ON ACCOUNT OF LONG-TERM**
3 **ELIGIBILITY.**

4 (a) IN GENERAL.—Section 202 of the Social Security
5 Act (42 U.S.C. 402) is amended by adding at the end the
6 following new subsection:

7 “(aa) INCREASE IN BENEFIT AMOUNTS ON ACCOUNT
8 OF LONG-TERM ELIGIBILITY.—(1) In the case of an indi-
9 vidual who is a qualified beneficiary for a calendar year
10 after 2018, the amount of any monthly insurance benefit
11 of such qualified beneficiary under this section or section
12 223 for any month in such calendar year shall be in-
13 creased in accordance with paragraph (3).

14 “(2)(A) For purposes of this subsection, the term
15 ‘qualified beneficiary’ for a calendar year means an indi-
16 vidual in any case in which such calendar year begins at
17 least 16 years after the applicable date of eligibility for
18 such individual.

19 “(B) For purposes of this subsection, the applicable
20 date of eligibility for an individual is the date on which
21 the individual on whose wages and self-employment in-
22 come the monthly insurance benefit is based initially be-
23 came eligible (or died before becoming eligible) for old-
24 age insurance benefits under subsection (a) or disability
25 insurance benefits under section 223.

1 “(3)(A) The increase required under paragraph (1)
 2 with respect to the monthly insurance benefit of an indi-
 3 vidual who is a qualified beneficiary for a calendar year
 4 shall be equal to the applicable percentage (specified for
 5 such benefit in subparagraph (B)) of the full increase
 6 amount for such calendar year (determined under sub-
 7 paragraph (C)).

8 “(B) The applicable percentage specified for a
 9 monthly insurance benefit under this subparagraph for a
 10 calendar year is the percentage specified, in connection
 11 with the number of years ending after the applicable date
 12 of eligibility for such individual and before such calendar
 13 year, in the following table:

“If the number of years is:	The applicable percentage is:
16	20 percent
17	40 percent
18	60 percent
19	80 percent
20 or larger	100 percent.

14 “(C)(i) Except as provided in clause (ii), the full in-
 15 crease amount determined under this subparagraph for a
 16 calendar year in connection with the monthly insurance
 17 benefit of a qualified beneficiary is a dollar amount equal
 18 to 5 percent of the amount of the benefit if—

19 “(I) such benefit were based on the primary in-
 20 surance amount determined for January of such cal-
 21 endar year of a putative individual;

1 “(II) on January 1 of the calendar year in
2 which occurred the applicable eligibility date with re-
3 spect to such individual, such putative individual
4 were fully insured, attained retirement age (as de-
5 fined in section 216(l)(2)) and were otherwise eligi-
6 ble for, and applied for, old-age insurance benefits;
7 and

8 “(III) such putative individual’s average in-
9 dexed monthly earnings taken into account in deter-
10 mining such primary insurance amount were equal
11 to $\frac{1}{12}$ of the national average wage index (as de-
12 fined in section 209(k)(1)) for the second year prior
13 to such calendar year.

14 “(ii)(I) In the case of a monthly insurance benefit
15 under subsection (b) or (c), the full increase amount deter-
16 mined under this subparagraph shall be one-half the
17 amount determined under clause (i); or

18 “(II) In the case of a monthly insurance benefit
19 under subsection (d), (g), or (h), the full increase amount
20 determined under this subparagraph shall be the percent-
21 age of the amount determined under clause (i) equal to
22 the ratio which the amount of such benefit bears to the
23 primary insurance amount (before the application of sec-
24 tion 203(a)) of the individual on whose wages and self-

1 employment income the monthly insurance benefit is
2 based.

3 “(4) In the case of a qualified beneficiary who is enti-
4 tled to two or more monthly insurance benefits under this
5 title for the same month—

6 “(A) the earliest applicable date of eligibility for
7 such beneficiary with respect to such benefits shall
8 be treated as the applicable date of eligibility for
9 such beneficiary for the purposes of this subsection;
10 and

11 “(B) such beneficiary shall be entitled to an in-
12 crease with respect only to one such benefit.

13 “(5) This subsection shall be applied to monthly in-
14 surance benefits after any increase under subsection (w)
15 and any applicable reductions and deductions under this
16 title.

17 “(6) In any case in which an individual is entitled
18 to benefits under both this section and section 223, the
19 increase under this subsection shall be paid from the Fed-
20 eral Old-Age and Survivors Insurance Trust Fund.”.

21 (b) CONFORMING AMENDMENTS.—

22 (1) Section 202 of such Act (42 U.S.C. 402) is
23 amended—

1 (A) in the last sentence of subsection (a),
2 by striking “subsection (q) and subsection (w)”
3 and inserting “subsections (q), (w), and (aa)”;

4 (B) in subsection (b)(2), by striking “sub-
5 sections (k)(5) and (q)” and inserting “sub-
6 sections (k)(5), (q), and (aa)”;

7 (C) in subsection (c)(2), by striking “sub-
8 sections (k)(5) and (q)” and inserting “sub-
9 sections (k)(5), (q), and (aa)”;

10 (D) in subsection (d)(2), by adding at the
11 end the following: “This paragraph shall apply
12 subject to subsection (aa).”;

13 (E) in subsection (e)(2)(A), by striking
14 “subsection (k)(5), subsection (q), and subpara-
15 graph (D) of this paragraph” and inserting
16 “subsection (k)(5), subsection (q), subsection
17 (aa), and subparagraph (D) of this paragraph”;

18 (F) in subsection (f)(2)(A), by striking
19 “subsection (k)(5), subsection (q), and subpara-
20 graph (D) of this paragraph” and inserting
21 “subsection (k)(5), subsection (q), subsection
22 (aa), and subparagraph (D) of this paragraph”;

23 (G) in subsection (g)(2), by striking
24 “Such” and inserting “Except as provided in
25 subsections (k)(5) and (aa), such”;

1 (H) in subsection (h)(2)(A), by inserting
2 “and subsection (aa)” after “subparagraphs
3 (B) and (C)”; and

4 (I) in section 223(a)(2), by striking “sec-
5 tion 202(q)” and inserting “sections 202(q) and
6 202(aa)”.

7 (2) Section 209(k)(1) of such Act (402 U.S.C.
8 409(k)(1)) is amended by inserting
9 “202(aa)(3)(C)(i)(II),” before “203(f)(8)(B)(ii)”.

10 **SEC. 4. EXTENSION OF CHILD’S BENEFIT FOR CERTAIN**
11 **POST-SECONDARY STUDENTS UNDER AGE 22.**

12 (a) IN GENERAL.—Section 202(d)(1)(B) of the So-
13 cial Security Act (42 U.S.C. 402(d)(1)(B)) is amended to
14 read as follows:

15 “(B) at the time such application was filed
16 was unmarried and—

17 “(i) had not attained the age of 18,

18 “(ii) was a full-time elementary or
19 secondary school student and had not at-
20 tained the age of 19,

21 “(iii) was an eligible full-time post-
22 secondary school student and had not at-
23 tained the age of 22, or

1 “(iv) is under a disability (as defined
2 in section 223(d)) which began before he
3 attained the age of 22, and”.

4 (b) DEFINITION OF ELIGIBLE FULL-TIME POST-
5 SECONDARY SCHOOL STUDENT.—Section 202(d)(7) of
6 the Social Security Act (42 U.S.C. 402(d)(7)) is amended
7 by adding at the end the following:

8 “(E) An ‘eligible full-time post-secondary
9 school student’ is a full-time post-secondary
10 school student who is entitled to child’s insur-
11 ance benefits on the basis of the wages and self-
12 employment income of an individual who is en-
13 titled to disability insurance benefits, or who
14 has died a fully or currently insured indi-
15 vidual.”.

16 (c) DEFINITION OF FULL-TIME POST-SECONDARY
17 SCHOOL STUDENT.—

18 (1) IN GENERAL.—Section 202(d)(7) of such
19 Act (42 U.S.C. 402(d)(7)) is amended—

20 (A) in subparagraph (A)—

21 (i) by inserting “and a ‘full-time post-
22 secondary school student’ is an individual
23 who is in full-time attendance as a student
24 at a post-secondary educational institu-

1 tion” before “, as determined by the Com-
2 missioner”;

3 (ii) by inserting “or a ‘full-time post-
4 secondary school student’” before “if he is
5 paid by his employer”;

6 (iii) by inserting “or a post-secondary
7 educational institution, as applicable,” be-
8 fore “at the request”;

9 (iv) by inserting “or a ‘full-time post-
10 secondary school student’” before “for the
11 purpose of this section”; and

12 (v) by inserting “or a full-time post-
13 secondary school student” before “shall be
14 deemed”; and

15 (B) in subparagraph (B)—

16 (i) by inserting “or a full-time post-
17 secondary school student” after “student”;

18 (ii) by inserting “or a post-secondary
19 educational institution, as applicable” be-
20 fore “at which he has been”; and

21 (iii) by striking “an elementary or sec-
22 ondary school” in each of the second and
23 third places in which such term appears
24 and inserting “such a school”.

1 (2) TRANSITION FROM ELEMENTARY OR SEC-
2 ONDARY SCHOOL.—Section 202(d)(7)(B) of such Act
3 (42 U.S.C. 402(d)(7)(B)) is amended by adding at
4 the end the following sentence: “An individual who
5 has been in full-time attendance at an elementary or
6 secondary school shall, during a succeeding period of
7 nonattendance at such school, be deemed to be a
8 full-time secondary-school student if (i) such period
9 is 4 calendar months or less, and (ii) the individual
10 shows to the satisfaction of the Commissioner that
11 he intends to be in full-time attendance at a post-
12 secondary educational institution immediately fol-
13 lowing such period.”

14 (d) DEFINITION OF POST-SECONDARY EDUCATIONAL
15 INSTITUTION.—Section 202(d)(7)(C) of such Act (42
16 U.S.C. 402(d)(7)(C)) is amended by adding at the end the
17 following:

18 “(iii) A ‘post-secondary educational
19 institution’ is a school or college or univer-
20 sity that provides post-secondary education
21 and—

22 “(I) is operated or directly sup-
23 ported by the United States, or by
24 any State or local government or po-
25 litical subdivision thereof,

1 “(II) has been approved by a
2 State or accredited by a State-recog-
3 nized or nationally-recognized accred-
4 iting agency or body, or

5 “(III) whose credits are accepted,
6 on transfer, by not less than three in-
7 stitutions which are so accredited, for
8 credit on the same basis as if trans-
9 ferred from an institution so accred-
10 ited.”.

11 (e) CONFORMING AMENDMENTS.—

12 (1) Section 202(d)(1)(E) of such Act (42
13 U.S.C. 402(d)(1)(E)) is amended by inserting “or
14 an eligible full-time post-secondary school student”
15 after “student”.

16 (2) Section 202(d)(1)(F) of such Act (42
17 U.S.C. 402(d)(1)(F)) is amended by striking “the
18 earlier of—” and all that follows through “the age
19 of 19,” and inserting the following: “the earlier of—

20 “(i) the first month during no part of
21 which the child is a full-time elementary or
22 secondary school student or an eligible full-
23 time post-secondary school student,

24 “(ii) the month in which the child at-
25 tains the age of 19, but only if the child

1 is not an eligible full-time post-secondary
2 school student during any part of such
3 month, or

4 “(iii) the month in which the child at-
5 tains the age of 22,”.

6 (3) Section 202(d)(1)(G) of such Act (42
7 U.S.C. 402(d)(1)(G)) is amended by striking “(if
8 later)” and all that follows through the “the age of
9 19,” and inserting the following: “(if later) the ear-
10 lier of—

11 “(i) the first month during no part of
12 which the child is a full-time elementary or
13 secondary school student or an eligible full-
14 time post-secondary school student,

15 “(ii) the month in which the child at-
16 tains the age of 19, but only if the child
17 is not an eligible full-time post-secondary
18 school student during any part of such
19 month, or

20 “(iii) the month in which the child at-
21 tains the age of 22,”.

22 (4) Section 202(d)(6)(A) of such Act (42
23 U.S.C. 402(d)(6)(A)) is amended to read as follows:

1 “(A)(i) is a full-time elementary or sec-
2 ondary school student and has not attained the
3 age of 19,

4 “(ii) is an eligible full-time post-secondary
5 school student and has not attained the age of
6 22, or

7 “(iii) is under a disability (as defined in
8 section 223(d)) and has not attained the age of
9 22, or”.

10 (5) Section 202(d)(6)(D) of such Act (42
11 U.S.C. 402(d)(6)(D)) is amended to read as follows:

12 “(D) the earlier of—

13 “(i) the first month during no part of
14 which the child is a full-time elementary or
15 secondary school student or an eligible full-
16 time post-secondary school student,

17 “(ii) the month in which the child at-
18 tains the age of 19, but only if the child
19 is not an eligible full-time post-secondary
20 school student during any part of such
21 month, or

22 “(iii) the month in which the child at-
23 tains the age of 22,

24 but only if he is not under a disability (as so
25 defined) in such earlier month; or”.

1 (6) Section 202(d)(6)(E) of such Act (42
2 U.S.C. 402(d)(6)(E)) is amended by striking “(if
3 later)” and all that follows to the end and inserting
4 the following: “(if later) the earlier of—

5 “(i) the first month during no part of
6 which the child is a full-time elementary or
7 secondary school student or an eligible full-
8 time post-secondary school student,

9 “(ii) the month in which the child at-
10 tains the age of 19, but only if the child
11 is not an eligible full-time post-secondary
12 school student during any part of such
13 month, or

14 “(iii) the month in which the child at-
15 tains the age of 22.”.

16 (f) EFFECTIVE DATE.—The amendments made by
17 this section apply with respect to applications for child’s
18 insurance benefits under section 202(d) of the Social Se-
19 curity Act (42 U.S.C. 402(d)) filed in any calendar year
20 after 2018.

21 **SEC. 5. DETERMINATION OF TAXABLE WAGES AND SELF-**
22 **EMPLOYMENT INCOME ABOVE CONTRIBU-**
23 **TION AND BENEFIT BASE AFTER 2018.**

24 (a) DETERMINATION OF TAXABLE WAGES ABOVE
25 CONTRIBUTION AND BENEFIT BASE AFTER 2018.—

1 (1) AMENDMENTS TO THE INTERNAL REVENUE
 2 CODE OF 1986.—Section 3121 of the Internal Rev-
 3 enue Code of 1986 is amended—

4 (A) in subsection (a)(1), by inserting “the
 5 applicable percentage (determined under sub-
 6 section (c)(1)) of” before “that part of the re-
 7 muneratation”; and

8 (B) in subsection (c), by striking “(c) IN-
 9 CLUDED AND EXCLUDED SERVICE.—For pur-
 10 poses of this chapter, if” and inserting the fol-
 11 lowing:

12 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-
 13 MENT.—

14 “(1) APPLICABLE PERCENTAGE OF REMUNERA-
 15 TION IN DETERMINING TAXABLE WAGES.—For pur-
 16 poses of subsection (a)(1), the applicable percentage
 17 for a calendar year shall be determined in accord-
 18 ance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2019	90 percent
Calendar year 2020	80 percent
Calendar year 2021	70 percent
Calendar year 2022	60 percent
Calendar year 2023	50 percent
Calendar year 2024	40 percent
Calendar year 2025	30 percent
Calendar year 2026	20 percent
Calendar year 2027	10 percent
Calendar years after 2028	0 percent.

19 “(2) INCLUDED AND EXCLUDED SERVICE.—For
 20 purposes of this chapter, if”.

1 (2) AMENDMENTS TO THE SOCIAL SECURITY
2 ACT.—Section 209 of the Social Security Act (42
3 U.S.C. 409) is amended—

4 (A) in subsection (a)(1)(I)—

5 (i) by inserting “and before 2019”
6 after “1974”; and

7 (ii) by inserting “and” after the semi-
8 colon;

9 (B) in subsection (a)(1), by adding at the
10 end the following new subparagraph:

11 “(J) The applicable percentage (deter-
12 mined under subsection (I)) of that part of re-
13 munerated which, after remuneration (other
14 than remuneration referred to in the succeeding
15 subsections of this section) equal to the con-
16 tribution and benefit base (determined under
17 section 230) with respect to employment has
18 been paid to an individual during any calendar
19 year after 2018 with respect to which such con-
20 tribution and benefit base is effective, is paid to
21 such individual during such calendar year;”;
22 and

23 (C) by adding at the end the following new
24 subsection:

1 “(1) For purposes of subsection (a)(1)(J), the applica-
 2 ble percentage for a calendar year shall be determined in
 3 accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2019	90 percent
Calendar year 2020	80 percent
Calendar year 2021	70 percent
Calendar year 2022	60 percent
Calendar year 2023	50 percent
Calendar year 2024	40 percent
Calendar year 2025	30 percent
Calendar year 2026	20 percent
Calendar year 2027	10 percent
Calendar years after 2028	0 percent.”.

4 (3) EFFECTIVE DATE.—The amendments made
 5 by this subsection shall apply with respect to remun-
 6 eration paid in calendar years after 2018.

7 (b) DETERMINATION OF TAXABLE SELF-EMPLOY-
 8 MENT INCOME ABOVE CONTRIBUTION AND BENEFIT
 9 BASE AFTER 2018.—

10 (1) AMENDMENTS TO THE INTERNAL REVENUE
 11 CODE OF 1986.—Section 1402 of the Internal Rev-
 12 enue Code of 1986 is amended—

13 (A) in subsection (b)(1), by striking “that
 14 part of the net earnings” and all that follows
 15 through “minus” and inserting the following:
 16 “an amount equal to the applicable percentage
 17 (as determined under subsection (d)(2)) of that
 18 part of the net earnings from self-employment
 19 which is in excess of the difference (not to be
 20 less than zero) between (i) an amount equal to

1 the contribution and benefit base (as deter-
 2 mined under section 230 of the Social Security
 3 Act) which is effective for the calendar year in
 4 which such taxable year begins, and”; and

5 (B) in subsection (d)—

6 (i) by striking “(d) EMPLOYEE AND
 7 WAGES.—The term” and inserting the fol-
 8 lowing:

9 “(d) RULES AND DEFINITIONS.—

10 “(1) EMPLOYEE AND WAGES.—The term”; and

11 (ii) by adding at the end the fol-
 12 lowing:

13 “(2) APPLICABLE PERCENTAGE OF NET EARN-
 14 INGS FROM SELF-EMPLOYMENT IN DETERMINING
 15 TAXABLE SELF-EMPLOYMENT INCOME.—For pur-
 16 poses of subsection (b)(1), the applicable percentage
 17 for a taxable year beginning in any calendar year re-
 18 ferred to in such paragraph shall be determined in
 19 accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2019	90 percent
Calendar year 2020	80 percent
Calendar year 2021	70 percent
Calendar year 2022	60 percent
Calendar year 2023	50 percent
Calendar year 2024	40 percent
Calendar year 2025	30 percent
Calendar year 2026	20 percent
Calendar year 2027	10 percent
Calendar years after 2028	0 percent.”.

1 (2) AMENDMENTS TO THE SOCIAL SECURITY
2 ACT.—Section 211 of the Social Security Act (42
3 U.S.C. 411) is amended—

4 (A) in subsection (b)—

5 (i) in paragraph (1)(I)—

6 (I) by striking “or” after the
7 semicolon; and

8 (II) by inserting “and before
9 2019” after “1974”;

10 (ii) by redesignating paragraph (2) as
11 paragraph (3); and

12 (iii) by inserting after paragraph (1)
13 the following:

14 “(2) For any taxable year beginning in any cal-
15 endar year after 2018, an amount equal to the appli-
16 cable percentage (as determined under subsection
17 (l)) of that part of net earnings from self-employ-
18 ment which is in excess of the difference (not to be
19 less than zero) between—

20 “(A) an amount equal to the contribution
21 and benefit base (as determined under section
22 230) that is effective for such calendar year,
23 and

24 “(B) the amount of the wages paid to such
25 individual during such taxable year; or”; and

1 (B) by adding at the end the following:

2 “(1) For purposes of subsection (b)(2), the applicable
 3 percentage for a taxable year beginning in any calendar
 4 year referred to in such paragraph shall be determined
 5 in accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2019	90 percent
Calendar year 2020	80 percent
Calendar year 2021	70 percent
Calendar year 2022	60 percent
Calendar year 2023	50 percent
Calendar year 2024	40 percent
Calendar year 2025	30 percent
Calendar year 2026	20 percent
Calendar year 2027	10 percent
Calendar years after 2028	0 percent.”.

6 (3) EFFECTIVE DATE.—The amendments made
 7 by this subsection shall apply with respect to taxable
 8 years beginning in calendar years after 2018.

9 (c) COMPUTING AVERAGE INDEXED MONTHLY
 10 EARNINGS.—Section 215(e) of the Social Security Act (42
 11 U.S.C. 415(e)) is amended—

12 (1) in paragraph (1)—

13 (A) by striking “and” after “before
 14 1975,”;

15 (B) by inserting “and before 2019” after
 16 “after 1974”; and

17 (C) by inserting “, and the applicable per-
 18 centage of the excess over an amount equal to
 19 the contribution and benefit base (as deter-
 20 mined under section 230) in the case of any

1 calendar year after 2016 with respect to which
 2 such contribution and benefit base is effective,”
 3 after “benefit base is effective,”; and
 4 (2) by adding at the end the following:
 5 “(3) For purposes of paragraph (1), the appli-
 6 cable percentage for a year shall be determined in
 7 accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2019	90 percent
Calendar year 2020	80 percent
Calendar year 2021	70 percent
Calendar year 2022	60 percent
Calendar year 2023	50 percent
Calendar year 2024	40 percent
Calendar year 2025	30 percent
Calendar year 2026	20 percent
Calendar year 2027	10 percent
Calendar years after 2028	0 percent.”.

8 (d) CONFORMING AMENDMENT.—Section
 9 215(i)(2)(C)(i) of the Social Security Act (42 U.S.C.
 10 415(i)(2)(C)(i)) is amended by striking “the Commis-
 11 sioner’s estimate of the extent to which the cost of such
 12 increase would be met by an increase in the contribution
 13 and benefit base under section 230 and the estimated
 14 amount of the increase in such base,”.

15 **SEC. 6. NEW BEND POINT FOR AMOUNTS ABOVE CONTRIBU-**
 16 **TION AND BENEFIT BASE.**

17 (a) IN GENERAL.—Section 215(a)(1) of the Social
 18 Security Act (42 U.S.C. 415(a)(1)) is amended—
 19 (1) in subparagraph (A)—
 20 (A) in clause (ii), by striking “and”;

1 (B) in clause (iii), by striking the comma
2 at the end and inserting the following: “but do
3 not exceed the amount established for purposes
4 of this clause by subparagraph (B), and”;

5 (C) by inserting after clause (iii) the fol-
6 lowing:

7 “(iv) 3 percent of the individual’s av-
8 erage indexed monthly earnings to the ex-
9 tent that such earnings exceed the amount
10 established for purposes of clause (iii),”;

11 and

12 (2) in subparagraph (B)—

13 (A) by inserting “and before 2019” after
14 “1979” in clause (ii);

15 (B) by redesignating clause (iii) as clause
16 (v);

17 (C) by inserting after clause (ii) the fol-
18 lowing:

19 “(iii) For individuals who initially be-
20 come eligible for old-age or disability insur-
21 ance benefits, or who die (before becoming
22 eligible for such benefits), in the calendar
23 year 2019—

24 “(I) the amounts established for
25 purposes of clauses (i) and (ii) of sub-

1 paragraph (A) shall be the amounts
2 so established under clause (ii) of this
3 subparagraph for such calendar year;
4 and

5 “(II) the amount established for
6 purposes of clause (iii) of subpara-
7 graph (A) shall be the amount of the
8 contribution and benefit base with re-
9 spect to remuneration paid (and tax-
10 able years beginning) in calendar year
11 2019.

12 “(iv) For individuals who initially be-
13 come eligible for old-age or disability insur-
14 ance benefits, or who die (before becoming
15 eligible for such benefits), in any calendar
16 year after 2019, the amount so established
17 shall equal the product of the cor-
18 responding amount established with re-
19 spect to the calendar year 2019 under
20 clause (iii) of this subparagraph and the
21 quotient obtained by dividing—

22 “(I) the national average wage
23 index (as defined in section 209(k)(1))
24 for the second calendar year preceding

1 the calendar year for which the deter-
2 mination is made, by

3 “(II) the national average wage
4 index (as so defined) for 2017.”; and

5 (D) in clause (v), as so redesignated by
6 subparagraph (A) of this paragraph, by insert-
7 ing “and clause (iv)” after “clause (ii)”.

8 (b) **EFFECTIVE DATE.**—The amendments made by
9 this section shall apply with respect to individuals who ini-
10 tially become eligible (within the meaning of section
11 215(a)(3)(B)) for old-age or disability insurance benefits
12 under title II of the Social Security Act, or who die (before
13 becoming eligible for such benefits), in any calendar year
14 after 2018.

15 **SEC. 7. INCREASE IN EMPLOYMENT TAX RATE.**

16 (a) **WAGES.**—

17 (1) **EMPLOYEES.**—Subsection (a) of section
18 3101 of the Internal Revenue Code of 1986 is
19 amended to read as follows:

20 “(a) **OLD-AGE, SURVIVORS, AND DISABILITY INSUR-**
21 **ANCE.**—

22 “(1) **IN GENERAL.**—In addition to other taxes,
23 there is hereby imposed on the income of every indi-
24 vidual a tax equal to the applicable percentage of the
25 wages (as defined in section 3121(a)) received by

1 him with respect to employment (as defined in sec-
 2 tion 3121(b)).

3 “(2) APPLICABLE PERCENTAGE.—For purposes
 4 of paragraph (1), the term ‘applicable percentage’
 5 means the percentage determined under the fol-
 6 lowing table:

“In case of wages received during:	The applicable percentage shall be:
2019	6.25 percent
2020	6.30 percent
2021	6.35 percent
2022	6.40 percent
2023	6.45 percent
2024 or thereafter	6.50 percent.”.

7 (2) EMPLOYERS.—Subsection (a) of section
 8 3111 of such Code is amended to read as follows:

9 “(a) OLD-AGE, SURVIVORS, AND DISABILITY INSUR-
 10 ANCE.—

11 “(1) IN GENERAL.—In addition to other taxes,
 12 there is hereby imposed on every employer an excise
 13 tax, with respect to having individuals in his employ,
 14 equal to the applicable percentage of the wages (as
 15 defined in section 3121(a)) paid by him with respect
 16 to employment (as defined in section 3121(b)).

17 “(2) APPLICABLE PERCENTAGE.—For purposes
 18 of paragraph (1), the term ‘applicable percentage’
 19 means the percentage determined under the fol-
 20 lowing table:

“In case of a taxable year beginning during calendar year:	The applicable percentage shall be:
2019	6.25 percent
2020	6.30 percent
2021	6.35 percent
2022	6.40 percent
2023	6.45 percent
2024 or thereafter	6.50 percent.”.

1 (b) SELF-EMPLOYMENT.—Subsection (a) of section
2 1401 of such Code is amended to read as follows:

3 “(a) OLD-AGE, SURVIVORS, AND DISABILITY INSUR-
4 ANCE.—

5 “(1) In addition to other taxes, there shall be
6 imposed for each taxable year, on the self-employ-
7 ment income of every individual, a tax equal to the
8 applicable percentage of the amount of the self-em-
9 ployment income for such taxable year.

10 “(2) APPLICABLE PERCENTAGE.—For purposes
11 of paragraph (1), the term ‘applicable percentage’
12 means the percentage determined under the fol-
13 lowing table:

“In case of a taxable year beginning during calendar year:	The applicable percentage shall be:
2019	12.5 percent
2020	12.6 percent
2021	12.7 percent
2022	12.8 percent
2023	12.9 percent
2024 or thereafter	13.0 percent.”.

14 (c) EFFECTIVE DATE.—The amendments made by
15 this section shall apply with respect to remuneration re-

1 ceived, and taxable years beginning after, December 31,
2 2018.

3 **SEC. 8. NON-APPLICATION OF INCREASE IN SOCIAL SECU-**
4 **RITY BENEFITS FOR MEANS-TESTED PRO-**
5 **GRAMS.**

6 Any increase in monthly insurance benefits under
7 title II of the Social Security Act as a result of the amend-
8 ments made by this Act shall not be regarded as income
9 or resources for any month after December 2018, for pur-
10 poses of determining the eligibility of the recipient (or the
11 recipient's spouse or family) for benefits or assistance, or
12 the amount or extent of benefits or assistance, under any
13 Federal program or under any State or local program fi-
14 nanced in whole or in part with Federal funds.