

103^D CONGRESS
2^D SESSION

H. R. 4278

AMENDMENT

In the Senate of the United States,

May 25 (legislative day, May 16), 1994.

Resolved, That the bill from the House of Representatives (H.R. 4278) entitled “An Act to make improvements in the old-age, survivors, and disability insurance program under title II of the Social Security Act”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “Social Security Domes-*
3 *tic Employment Reform Act of 1994”.*

4 ***SEC. 2. SIMPLIFICATION OF EMPLOYMENT TAXES ON DO-***
5 ***MESTIC SERVICES.***

6 *(a) THRESHOLD REQUIREMENT FOR SOCIAL SECU-*
7 *RITY TAXES.—*

8 *(1) AMENDMENTS OF INTERNAL REVENUE*
9 *CODE.—*

10 *(A) GENERAL RULE.—Subparagraph (B) of*
11 *section 3121(a)(7) of the Internal Revenue Code*
12 *of 1986 (defining wages) is amended to read as*
13 *follows:*

14 *“(B) cash remuneration paid by an em-*
15 *ployer in any calendar year to an employee for*

1 *domestic service in a private home of the em-*
2 *ployer (including domestic service described in*
3 *subsection (g)(5)), if the cash remuneration paid*
4 *in such year by the employer to the employee for*
5 *such service is less than the applicable dollar*
6 *threshold (as defined in subsection (x)) for such*
7 *year;”.*

8 (B) *APPLICABLE DOLLAR THRESHOLD.—*

9 *Section 3121 of such Code is amended by adding*
10 *at the end thereof the following new subsection:*

11 “(x) *APPLICABLE DOLLAR THRESHOLD.—For pur-*
12 *poses of subsection (a)(7)(B), the term ‘applicable dollar*
13 *threshold’ means the amount required for a quarter of cov-*
14 *erage as determined under section 213(d)(2) of the Social*
15 *Security Act for calendar year 1995. In the case of calendar*
16 *years after 1995, the Secretary of Health and Human Serv-*
17 *ices shall adjust such amount at the same time and in the*
18 *same manner as the amount under section 213(d)(2) of the*
19 *Social Security Act, except that such adjustment shall not*
20 *take effect in any year in which the otherwise adjusted*
21 *amount does not exceed the amount in effect under this sub-*
22 *section for the preceding calendar year by at least \$50.”*

23 (C) *EMPLOYMENT OF DOMESTIC EMPLOYEES*

24 *UNDER AGE 18 EXCLUDED FROM COVERAGE.—*

1 Section 3121(b) of such Code (defining employ-
2 ment) is amended—

3 (i) by striking “or” at the end of para-
4 graph (19),

5 (ii) by striking the period at the end of
6 paragraph (20) and inserting “; or”, and

7 (iii) by adding at the end the following
8 new paragraph:

9 “(21) domestic service in a private home of the
10 employer performed in any year by an individual
11 under the age of 18 during any portion of such
12 year.”.

13 (D) CONFORMING AMENDMENTS.—The sec-
14 ond sentence of section 3102(a) of such Code is
15 amended—

16 (i) by striking “calendar quarter” each
17 place it appears and inserting “calendar
18 year”, and

19 (ii) by striking “\$50” and inserting
20 “the applicable dollar threshold (as defined
21 in section 3121(x)) for such year”.

22 (2) AMENDMENT OF SOCIAL SECURITY ACT.—

23 (A) GENERAL RULE.—Subparagraph (B) of
24 section 209(a)(6) of the Social Security Act (42

1 U.S.C. 409(a)(6)(B)) is amended to read as fol-
2 lows:

3 “(B) Cash remuneration paid by an employer in
4 any calendar year to an employee for domestic service
5 in a private home of the employer (including domes-
6 tic service described in section 210(f)(5)), if the cash
7 remuneration paid in such year by the employer to
8 the employee for such service is less than the applica-
9 ble dollar threshold (as defined in section 3121(x) of
10 the Internal Revenue Code of 1986) for such year;”.

11 (B) EMPLOYMENT OF DOMESTIC EMPLOY-
12 EES UNDER AGE 18 EXCLUDED FROM COV-
13 ERAGE.—Section 210(a) of such Act (42 U.S.C.
14 410(a)) is amended—

15 (i) by striking “or” at the end of para-
16 graph (19),

17 (ii) by striking the period at the end of
18 paragraph (20) and inserting “; or”, and

19 (iii) by adding at the end the following
20 new paragraph:

21 “(21) Domestic service in a private home of the
22 employer performed in any year by an individual
23 under the age of 18 during any portion of such
24 year.”.

25 (3) EFFECTIVE DATES.—

1 (A) *IN GENERAL.*—*Except as provided in*
 2 *subparagraph (B), the amendments made by this*
 3 *subsection shall apply to remuneration paid in*
 4 *calendar years beginning after December 31,*
 5 *1994.*

6 (B) *EXCLUDED EMPLOYMENT.*—*The amend-*
 7 *ments made by paragraphs (1)(C) and (2)(B)*
 8 *shall apply to services performed after December*
 9 *31, 1994.*

10 (b) *COORDINATION OF COLLECTION OF DOMESTIC*
 11 *SERVICE EMPLOYMENT WITH COLLECTION OF INCOME*
 12 *TAXES.*—

13 (1) *IN GENERAL.*—*Chapter 25 of the Internal*
 14 *Revenue Code of 1986 (relating to general provisions*
 15 *relating to employment taxes) is amended by adding*
 16 *at the end thereof the following new section:*

17 **“SEC. 3510. COORDINATION OF COLLECTION OF DOMESTIC**
 18 **SERVICE EMPLOYMENT TAXES WITH COLLEC-**
 19 **TION OF INCOME TAXES.**

20 “(a) *GENERAL RULE.*—*Except as otherwise provided*
 21 *in this section—*

22 “(1) *returns with respect to domestic service em-*
 23 *ployment taxes shall be made on a calendar year*
 24 *basis,*

1 “(2) any such return for any calendar year shall
2 be filed on or before the 15th day of the 4th month
3 following the close of the employer’s taxable year
4 which begins in such calendar year, and

5 “(3) no requirement to make deposits (or to pay
6 installments under section 6157) shall apply with re-
7 spect to such taxes.

8 “(b) DOMESTIC SERVICE EMPLOYMENT TAXES SUB-
9 JECT TO ESTIMATED TAX PROVISIONS.—

10 “(1) IN GENERAL.—Solely for purposes of section
11 6654, domestic service employment taxes imposed
12 with respect to any calendar year shall be treated as
13 a tax imposed by chapter 2 for the taxable year of the
14 employer which begins in such calendar year.

15 “(2) SPECIAL RULE WHERE TAXES ARE PAID ON
16 OR BEFORE APRIL 15.—If, on or before the date de-
17 scribed in subsection (a)(2) or, if earlier, the date the
18 return is filed, the employer pays in full the domestic
19 service employment taxes computed on such return as
20 payable for any calendar year, then no addition to
21 tax shall be imposed under section 6654(a) with re-
22 spect to any underpayment of any required install-
23 ment of such taxes for the taxable year beginning in
24 such calendar year.

1 “(3) *ANNUALIZATION*.—Under regulations pre-
 2 scribed by the Secretary, appropriate adjustments
 3 shall be made in the application of section 6654(d)(2)
 4 in respect of the amount treated as tax under para-
 5 graph (1).

6 “(4) *TRANSITIONAL RULE*.—For purposes of ap-
 7 plying section 6654 to a taxable year beginning in
 8 1995, the amount referred to in clause (ii) of section
 9 6654(d)(1)(B) shall be increased by 90 percent of the
 10 amount treated as tax under paragraph (1) for such
 11 preceding taxable year.

12 “(c) *DOMESTIC SERVICE EMPLOYMENT TAXES*.—For
 13 purposes of this section, the term ‘domestic service employ-
 14 ment taxes’ means—

15 “(1) any taxes imposed by chapter 21 or 23 on
 16 remuneration paid for domestic service in a private
 17 home of the employer, and

18 “(2) any amount withheld from such remunera-
 19 tion pursuant to an agreement under section 3402(p).
 20 For purposes of this subsection, the term ‘domestic service
 21 in a private home of the employer’ includes domestic service
 22 described in section 3121(g)(5).

23 “(d) *EXCEPTION WHERE EMPLOYER LIABLE FOR*
 24 *OTHER EMPLOYMENT TAXES*.—To the extent provided in
 25 regulations prescribed by the Secretary, this section shall

1 *not apply to any employer for any calendar year if such*
 2 *employer is liable for any tax under this subtitle with re-*
 3 *spect to remuneration for services other than domestic serv-*
 4 *ice in a private home of the employer.*

5 “(e) *GENERAL REGULATORY AUTHORITY.*—*The Sec-*
 6 *retary shall prescribe such regulations as may be necessary*
 7 *or appropriate to carry out the purposes of this section.*
 8 *Such regulations may treat domestic service employment*
 9 *taxes as taxes imposed by chapter 1 for purposes of coordi-*
 10 *nating the assessment and collection of such employment*
 11 *taxes with the assessment and collection of domestic employ-*
 12 *ers’ income taxes.*

13 “(f) *AUTHORITY TO ENTER INTO AGREEMENTS TO*
 14 *COLLECT STATE UNEMPLOYMENT TAXES.*—

15 “(1) *IN GENERAL.*—*The Secretary is hereby au-*
 16 *thorized to enter into an agreement with any State to*
 17 *collect, as the agent of such State, such State’s unem-*
 18 *ployment taxes imposed on remuneration paid for do-*
 19 *mestic service in a private home of the employer. Any*
 20 *taxes to be collected by the Secretary pursuant to such*
 21 *an agreement shall be treated as domestic service em-*
 22 *ployment taxes for purposes of this section.*

23 “(2) *TRANSFERS TO STATE ACCOUNT.*—*Any*
 24 *amount collected under an agreement referred to in*
 25 *paragraph (1) shall be transferred by the Secretary to*

1 *the account of the State in the Unemployment Trust*
 2 *Fund.*

3 “(3) *SUBTITLE F MADE APPLICABLE.*—For pur-
 4 *poses of subtitle F, any amount required to be col-*
 5 *lected under an agreement under paragraph (1) shall*
 6 *be treated as a tax imposed by chapter 23.*

7 “(4) *STATE.*—For purposes of this subsection,
 8 *the term ‘State’ has the meaning given such term by*
 9 *section 3306(j)(1).”*

10 (2) *CLERICAL AMENDMENT.*—The table of sec-
 11 *tions for chapter 25 of such Code is amended by add-*
 12 *ing at the end thereof the following:*

*“Sec. 3510. Coordination of collection of domestic service employ-
 ment taxes with collection of income taxes.”*

13 (3) *EFFECTIVE DATE.*—The amendments made
 14 *by this subsection shall apply to remuneration paid*
 15 *in calendar years beginning after December 31, 1994.*

16 (4) *EXPANDED INFORMATION TO EMPLOYERS.*—
 17 *The Secretary of the Treasury or his delegate shall*
 18 *prepare and make available information on the Fed-*
 19 *eral tax obligations of employers with respect to em-*
 20 *ployees performing domestic service in a private home*
 21 *of the employer. Such information shall also include*
 22 *a statement that such employers may have obligations*
 23 *with respect to such employees under State laws relat-*

1 *ing to unemployment insurance and workers com-*
 2 *pensation.*

3 **SEC. 3. ADDITIONAL DEBT COLLECTION PRACTICES.**

4 *(a) IN GENERAL.—Section 204 of the Social Security*
 5 *Act (42 U.S.C. 404) is amended by adding at the end the*
 6 *following new subsection:*

7 *“(f)(1) With respect to any delinquent amount, the*
 8 *Secretary may use the collection practices described in sec-*
 9 *tions 3711(f), 3716, and 3718 of title 31, United States*
 10 *Code, as in effect on April 1, 1994.*

11 *“(2) For purposes of paragraph (1), the term ‘delin-*
 12 *quent amount’ means an amount—*

13 *“(A) in excess of the correct amount of payment*
 14 *under this title;*

15 *“(B) paid to a person after such person has at-*
 16 *tained 18 years of age; and*

17 *“(C) determined by the Secretary, under regula-*
 18 *tions, to be otherwise unrecoverable under this section*
 19 *after such person ceases to be a beneficiary under this*
 20 *title.”.*

21 *(b) CONFORMING AMENDMENT.—Section 3701(d) of*
 22 *title 31, United States Code, is amended by inserting “,*
 23 *except to the extent provided under section 204(f) of such*
 24 *Act (42 U.S.C. 404(f)),” after “the Social Security Act (42*
 25 *U.S.C. 301 et seq.)”.*

1 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 2 *section shall apply to collection activities begun on or after*
 3 *the date of the enactment of this Act and before October*
 4 *1, 1999.*

5 ***SEC. 4. PROHIBITION ON PAYMENT OF BENEFITS TO CER-***
 6 ***TAIN INDIVIDUALS CONFINED BY COURT***
 7 ***ORDER TO PUBLIC INSTITUTIONS.***

8 (a) *IN GENERAL.*—*Section 202(x)(1) of the Social Se-*
 9 *curity Act (42 U.S.C. 402(x)(1)) is amended—*

10 (1) *by inserting “(A)” after “(1)”, and*

11 (2) *by adding at the end the following new sub-*
 12 *paragraph:*

13 “(B) *Notwithstanding any other provision of this title,*
 14 *no monthly benefits shall be paid under this section or*
 15 *under section 223 to any individual for any month during*
 16 *which such individual is confined in any public institution*
 17 *by a court order pursuant to a verdict or finding that the*
 18 *individual is—*

19 “(i) *guilty of an offense described in subpara-*
 20 *graph (A), but insane (or having a similar condition,*
 21 *such as a mental disease, a mental defect, or mental*
 22 *incompetence); or*

23 “(ii) *not guilty of such an offense by reason of*
 24 *insanity (or by reason of a similar finding, such as*

1 *a mental disease, a mental defect, or mental incom-*
2 *petence).”.*

3 **(b) CONFORMING AMENDMENTS.**—

4 *(1) Section 202(x)(3) of the Social Security Act*
5 *(42 U.S.C. 402(x)(3)) is amended by striking “any*
6 *individual” and all that follows and inserting “any*
7 *individual confined as described in paragraph (1) if*
8 *the jail, prison, penal institution, correctional facil-*
9 *ity, or other public institution to which such individ-*
10 *ual is so confined is under the jurisdiction of such*
11 *agency and the Secretary requires such information*
12 *to carry out the provisions of this section.”.*

13 *(2) The heading for section 202(x) of such Act is*
14 *amended by inserting “and Certain Other Inmates of*
15 *Public Institutions” after “Prisoners”.*

16 **(c) EFFECTIVE DATE.**—*The amendments made by this*
17 *section shall apply with respect to benefits for months com-*
18 *mencing after 90 days after the date of the enactment of*
19 *this Act.*

20 **SEC. 5. NURSING HOMES REQUIRED TO REPORT ADMIS-**
21 **SIONS OF SSI RECIPIENTS.**

22 **(a) IN GENERAL.**—*Section 1631(e)(1) (42 U.S.C.*
23 *1383(e)(1)) is amended by adding at the end the following*
24 *new subparagraph:*

1 “(C) For purposes of making determinations under
2 section 1611(e), the requirements prescribed by the Sec-
3 retary pursuant to subparagraph (A) shall require each ad-
4 ministrator of a nursing home, extended care facility, or
5 intermediate care facility to report to the Secretary of the
6 admission of any eligible individual or eligible spouse
7 receiving benefits under this title within 2 weeks of such
8 admission.”.

9 (b) *EFFECTIVE DATE.*—The amendment made by sub-
10 section (a) shall apply to admissions occurring on or after
11 October 1, 1995.

Attest:

Secretary.

HR 4278 EAS——2