

119TH CONGRESS
1ST SESSION

H. R. 3517

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

MAY 20, 2025

Ms. MOORE of Wisconsin introduced the following bill; which was referred to the Committee on Ways and Means

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 2025”.

6 **SEC. 2. INCREASE IN SPECIAL MINIMUM BENEFIT FOR**
7 **LIFETIME LOW EARNERS BASED ON YEARS IN**
8 **THE WORKFORCE.**

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

“(C)(i) Effective with respect to the benefits of individuals who become eligible for old-age insurance benefits or disability insurance benefits (or die before becoming so eligible) after 2025, no primary insurance amount computed under subparagraph (A) may be less than the applicable percentage of $\frac{1}{12}$ of the annual dollar amount determined under clause (iv) for the year in which the amount is determined.

“(ii) For purposes of clause (i), the applicable percentage is the percentage specified in connection with the number of years of work, as set forth in the following 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
27	90.0 percent
28	93.3 percent
29	96.7 percent
30 or more	100.0 percent.

“(iii) The annual dollar amount determined under this clause is—

1 “(I) for calendar year 2026, the poverty guide-
2 line for 2025; and

3 “(II) for any calendar year after 2026, the an-
4 nual dollar amount for 2026 multiplied by the ratio
5 of—

6 “(aa) the national average wage index (as
7 defined in section 209(k)(1)) for the second cal-
8 endar year preceding the calendar year for
9 which the determination is made, to

10 “(bb) the national average wage index (as
11 so defined) for 2024.

12 “(iv) For purposes of this subparagraph—

13 “(I) the term ‘number of years of work’ means,
14 with respect to an individual, the sum of—

15 “(aa) $\frac{1}{4}$ of the total number of quarters of
16 coverage credited to such individual (dis-
17 regarding any fraction); and

18 “(bb) the number of years (not exceeding
19 5) in all of which the individual provided care
20 for a child under 6 years of age who resided in
21 the individual’s home; and

22 “(II) the term ‘poverty guideline for 2025’
23 means the annual poverty guideline for 2025 (as up-
24 dated annually in the Federal Register by the De-
25 partment of Health and Human Services under the

1 authority of section 673(2) of the Omnibus Budget
2 Reconciliation Act of 1981) as applicable to a single
3 individual”.

4 **SEC. 3. ESTABLISHMENT OF AN INCREASED BENEFIT FOR**
5 **BENEFICIARIES ON ACCOUNT OF LONG-TERM**
6 **ELIGIBILITY.**

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

10 “(aa) INCREASE IN BENEFIT AMOUNTS ON ACCOUNT
11 OF LONG-TERM ELIGIBILITY.—(1) In the case of an indi-
12 vidual who is a qualified beneficiary for a calendar year
13 after 2025, the amount of any monthly insurance benefit
14 of such qualified beneficiary under this section or section
15 223 for any month in such calendar year shall be in-
16 creased in accordance with paragraph (3).

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

22 “(B) For purposes of this subsection, the applicable
23 date of eligibility for an individual is the date on which
24 the individual on whose wages and self-employment in-
25 come the monthly insurance benefit is based initially be-

1 came eligible (or died before becoming eligible) for old-
 2 age insurance benefits under subsection (a) or disability
 3 insurance benefits under section 223.

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

11 “(B) The applicable percentage specified for a
 12 monthly insurance benefit under this subparagraph for a
 13 calendar year is the percentage specified, in connection
 14 with the number of years ending after the applicable date
 15 of eligibility for such individual and before such calendar
 16 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.

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

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

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

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

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

21 “(II) in the case of a monthly insurance benefit under
22 subsection (d), (g), or (h), the full increase amount deter-
23 mined under this subparagraph shall be the percentage of
24 the amount determined under clause (i) equal to the ratio
25 which the amount of such benefit bears to the primary

1 insurance amount (before the application of section
2 203(a)) of the individual on whose wages and self-employ-
3 ment income the monthly insurance benefit is based.

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

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

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

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

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

22 (b) CONFORMING AMENDMENTS.—

23 (1) Section 202 of such Act (42 U.S.C. 402) is
24 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 section (q)” and inserting “subsections (q) and
6 (aa)”;

7 (C) in subsection (c)(2), by striking “sub-
8 section (q)” and inserting “subsections (q) and
9 (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 (q) and subparagraph (D) of this
15 paragraph” and inserting “subsection (q), sub-
16 section (aa), and subparagraph (D) of this
17 paragraph”;

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

23 (G) in subsection (g)(2), by striking
24 “Such” and inserting “Except as provided in
25 subsection (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 “subsections (q) and
 6 (aa) of section 202”.

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 FULL-TIME**
 11 **POST-SECONDARY SCHOOL STUDENTS**
 12 **UNDER AGE 26.**

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

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

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

19 “(ii) was a full-time elementary or sec-
 20 ondary school student and had not attained the
 21 age of 19,

22 “(iii) was a full-time post-secondary school
 23 student and had not attained the age of 26, or

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

4 (b) DEFINITION OF FULL-TIME POST-SECONDARY
5 SCHOOL STUDENT.—

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

8 (A) in subparagraph (A)—

9 (i) by inserting “and a ‘full-time post-
10 secondary school student’ is an individual
11 who is in full-time attendance as a student
12 at a post-secondary educational institu-
13 tion” before “, as determined by the Com-
14 missioner”;

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

18 (iii) by inserting “or a post-secondary
19 educational institution, as applicable,” be-
20 fore “at the request”;

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

1 (v) by inserting “or a full-time post-
2 secondary school student” before “shall be
3 deemed”; and

4 (B) in subparagraph (B)—

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

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

10 (iii) by striking “an elementary or sec-
11 ondary school” in each of the second and
12 third places in which such term appears
13 and inserting “such a school”.

14 (2) TRANSITION FROM ELEMENTARY OR SEC-
15 ONDARY SCHOOL.—Section 202(d)(7)(B) of such Act
16 (42 U.S.C. 402(d)(7)(B)) is amended by adding at
17 the end the following sentence: “An individual who
18 has been in full-time attendance at an elementary or
19 secondary school shall, during a succeeding period of
20 nonattendance at such school, be deemed to be a
21 full-time secondary-school student if (i) such period
22 is 4 calendar months or less, and (ii) the individual
23 shows to the satisfaction of the Commissioner that
24 he intends to be in full-time attendance at a post-

1 secondary educational institution immediately fol-
2 lowing such period.”

3 (c) DEFINITION OF POST-SECONDARY EDUCATIONAL
4 INSTITUTION.—Section 202(d)(7)(C) of such Act (42
5 U.S.C. 402(d)(7)(C)) is amended by adding at the end the
6 following:

7 “(iii) A ‘post-secondary educational institution’
8 is an institution described in section 102 of the
9 Higher Education Act of 1965 (20 U.S.C. 1002).”.

10 (d) CONFORMING AMENDMENTS.—

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

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

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

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

1 is not a full-time post-secondary school
2 student during any part of such month, or
3 “(iii) the month in which the child at-
4 tains the age of 26,”.

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

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

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

18 “(iii) the month in which the child at-
19 tains the age of 26,”.

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

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

1 “(ii) is a full-time post-secondary school
2 student and has not attained the age of 26, or

3 “(iii) is under a disability (as defined in
4 section 223(d)) and has not attained the age of
5 22, or”.

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

8 “(D) the earlier of—

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

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

17 “(iii) the month in which the child at-
18 tains the age of 26,

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

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

1 “(i) the first month during no part of
 2 which the child is a full-time elementary or
 3 secondary school student or a full-time
 4 post-secondary school student,

5 “(ii) the month in which the child at-
 6 tains the age of 19, but only if the child
 7 is not a full-time post-secondary school
 8 student during any part of such month, or

9 “(iii) the month in which the child at-
 10 tains the age of 26.”.

11 (e) EFFECTIVE DATE.—The amendments made by
 12 this section apply with respect to applications for child’s
 13 insurance benefits under section 202(d) of the Social Se-
 14 curity Act (42 U.S.C. 402(d)) filed in any calendar year
 15 after 2025.

16 **SEC. 5. DETERMINATION OF TAXABLE WAGES AND SELF-**
 17 **EMPLOYMENT INCOME ABOVE CONTRIBU-**
 18 **TION AND BENEFIT BASE AFTER 2025.**

19 (a) DETERMINATION OF TAXABLE WAGES ABOVE
 20 CONTRIBUTION AND BENEFIT BASE AFTER 2025.—

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

24 (A) in subsection (a)(1), by inserting “the
 25 applicable percentage (determined under sub-

1 section (c)(1)) of” before “that part of the re-
 2 muneration”; and

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

7 “(c) SPECIAL RULES FOR WAGES AND EMPLOY-
 8 MENT.—

9 “(1) APPLICABLE PERCENTAGE OF REMUNERA-
 10 TION IN DETERMINING TAXABLE WAGES.—For pur-
 11 poses of subsection (a)(1), the applicable percentage
 12 for a calendar year shall be determined in accord-
 13 ance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2026	90 percent
Calendar year 2027	80 percent
Calendar year 2028	70 percent
Calendar year 2029	60 percent
Calendar year 2030	50 percent
Calendar year 2031	40 percent
Calendar year 2032	30 percent
Calendar year 2033	20 percent
Calendar year 2034	10 percent
Calendar years after 2035	0 percent.

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

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

19 (A) in subsection (a)(1)(I)—

1 (i) by inserting “and before 2026”
 2 after “1974”; and

3 (ii) by inserting “and” after the semi-
 4 colon;

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

7 “(J) The applicable percentage (determined
 8 under subsection (I)) of that part of remuneration
 9 which, after remuneration (other than remuneration
 10 referred to in the succeeding subsections of this sec-
 11 tion) equal to the contribution and benefit base (de-
 12 termined under section 230) with respect to employ-
 13 ment has been paid to an individual during any cal-
 14 endar year after 2025 with respect to which such
 15 contribution and benefit base is effective, is paid to
 16 such individual during such calendar year;” and

17 (C) by adding at the end the following new
 18 subsection:

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

“In the case of:	The applicable percentage is:
Calendar year 2025	90 percent
Calendar year 2027	80 percent
Calendar year 2028	70 percent
Calendar year 2029	60 percent
Calendar year 2030	50 percent
Calendar year 2031	40 percent
Calendar year 2032	30 percent

“In the case of:	The applicable percentage is:
Calendar year 2033	20 percent
Calendar year 2034	10 percent
Calendar years after 2035	0 percent.”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply with respect to remuneration paid in calendar years after 2025.

4 (b) DETERMINATION OF TAXABLE SELF-EMPLOYMENT INCOME ABOVE CONTRIBUTION AND BENEFIT
5 BASE AFTER 2025.—

7 (1) AMENDMENTS TO THE INTERNAL REVENUE
8 CODE OF 1986.—Section 1402 of the Internal Revenue Code of 1986 is amended—

10 (A) in subsection (b)(1), by striking “that
11 part of the net earnings” and all that follows
12 through “minus” and inserting the following:
13 “an amount equal to the applicable percentage
14 (as determined under subsection (d)(2)) of that
15 part of the net earnings from self-employment
16 which is in excess of the difference (not to be
17 less than zero) between (i) an amount equal to
18 the contribution and benefit base (as determined under section 230 of the Social Security
19 Act) which is effective for the calendar year in
20 which such taxable year begins, and”; and
21 which such taxable year begins, and”; and

22 (B) in subsection (d)—

1 (i) by striking “(d) EMPLOYEE AND
 2 WAGES.—The term” and inserting the fol-
 3 lowing:

4 “(d) RULES AND DEFINITIONS.—

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

6 (ii) by adding at the end the fol-
 7 lowing:

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

“In the case of:	The applicable percentage is:
Calendar year 2026	90 percent
Calendar year 2027	80 percent
Calendar year 2028	70 percent
Calendar year 2029	60 percent
Calendar year 2030	50 percent
Calendar year 2031	40 percent
Calendar year 2032	30 percent
Calendar year 2033	20 percent
Calendar year 2034	10 percent
Calendar years after 2035	0 percent.”.

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

18 (A) in subsection (b)—

19 (i) in paragraph (1)(I)—

1 (I) by striking “or” after the
2 semicolon; and

3 (II) by inserting “and before
4 2026” after “1974”;

5 (ii) by redesignating paragraph (2) as
6 paragraph (3); and

7 (iii) by inserting after paragraph (1)
8 the following:

9 “(2) For any taxable year beginning in any cal-
10 endar year after 2025, an amount equal to the appli-
11 cable percentage (as determined under subsection
12 (l)) of that part of net earnings from self-employ-
13 ment which is in excess of the difference (not to be
14 less than zero) between—

15 “(A) an amount equal to the contribution
16 and benefit base (as determined under section
17 230) that is effective for such calendar year,
18 and

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

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

22 “(l) For purposes of subsection (b)(2), the applicable
23 percentage for a taxable year beginning in any calendar
24 year referred to in such paragraph shall be determined
25 in accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2026	90 percent
Calendar year 2027	80 percent
Calendar year 2028	70 percent
Calendar year 2029	60 percent
Calendar year 2030	50 percent
Calendar year 2031	40 percent
Calendar year 2032	30 percent
Calendar year 2033	20 percent
Calendar year 2034	10 percent
Calendar years after 2035	0 percent.”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply with respect to taxable
3 years beginning in calendar years after 2025.

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

7 (1) in paragraph (1)—

8 (A) by striking “and” after “before
9 1975,”;

10 (B) by inserting “and before 2026” after
11 “after 1974”; and

12 (C) by inserting “, and the applicable per-
13 centage of the excess over an amount equal to
14 the contribution and benefit base (as deter-
15 mined under section 230) in the case of any
16 calendar year after 2025 with respect to which
17 such contribution and benefit base is effective,”
18 after “benefit base is effective,”; and

19 (2) by adding at the end the following:

1 “(3) For purposes of paragraph (1), the appli-
 2 cable percentage for a year shall be determined in
 3 accordance with the following table:

“In the case of:	The applicable percentage is:
Calendar year 2026	90 percent
Calendar year 2027	80 percent
Calendar year 2028	70 percent
Calendar year 2029	60 percent
Calendar year 2030	50 percent
Calendar year 2031	40 percent
Calendar year 2032	30 percent
Calendar year 2033	20 percent
Calendar year 2034	10 percent
Calendar years after 2035	0 percent.”.

4 (d) CONFORMING AMENDMENT.—Section
 5 215(i)(2)(C)(i) of the Social Security Act (42 U.S.C.
 6 415(i)(2)(C)(i)) is amended by striking “the Commis-
 7 sioner’s estimate of the extent to which the cost of such
 8 increase would be met by an increase in the contribution
 9 and benefit base under section 230 and the estimated
 10 amount of the increase in such base,”.

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

13 (a) IN GENERAL.—Section 215(a)(1) of the Social
 14 Security Act (42 U.S.C. 415(a)(1)) is amended—

15 (1) in subparagraph (A)—

16 (A) in clause (ii), by striking “and”;

17 (B) in clause (iii), by striking the comma
 18 at the end and inserting the following: “but do

1 not exceed the amount established for purposes
2 of this clause by subparagraph (B), and”; and
3 (C) by inserting after clause (iii) the fol-
4 lowing:

5 “(iv) 3 percent of the individual’s average in-
6 dexed monthly earnings to the extent that such
7 earnings exceed the amount established for purposes
8 of clause (iii),”; and

9 (2) in subparagraph (B)—

10 (A) by inserting “and before 2026” after
11 “1979” in clause (ii);

12 (B) by redesignating clause (iii) as clause
13 (v);

14 (C) by inserting after clause (ii) the fol-
15 lowing:

16 “(iii) For individuals who initially become eligi-
17 ble for old-age or disability insurance benefits, or
18 who die (before becoming eligible for such benefits),
19 in the calendar year 2026—

20 “(I) the amounts established for purposes
21 of clauses (i) and (ii) of subparagraph (A) shall
22 be the amounts so established under clause (ii)
23 of this subparagraph for such calendar year;
24 and

1 “(II) the amount established for purposes
2 of clause (iii) of subparagraph (A) shall be the
3 amount of the contribution and benefit base
4 with respect to remuneration paid (and taxable
5 years beginning) in calendar year 2026.

6 “(iv) For individuals who initially be-
7 come eligible for old-age or disability insur-
8 ance benefits, or who die (before becoming
9 eligible for such benefits), in any calendar
10 year after 2026, the amount so established
11 shall equal the product of the cor-
12 responding amount established with re-
13 spect to the calendar year 2026 under
14 clause (iii) of this subparagraph and the
15 quotient obtained by dividing—

16 “(I) the national average wage
17 index (as defined in section 209(k)(1))
18 for the second calendar year preceding
19 the calendar year for which the deter-
20 mination is made, by

21 “(II) the national average wage
22 index (as so defined) for 2024.”; and

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

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply with respect to individuals who ini-
3 tially become eligible (within the meaning of section
4 215(a)(3)(B)) for old-age or disability insurance benefits
5 under title II of the Social Security Act, or who die (before
6 becoming eligible for such benefits), in any calendar year
7 after 2025.

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

9 (a) WAGES.—

10 (1) EMPLOYEES.—Subsection (a) of section
11 3101 of the Internal Revenue Code of 1986 is
12 amended to read as follows:

13 “(a) OLD-AGE, SURVIVORS, AND DISABILITY INSUR-
14 ANCE.—

15 “(1) IN GENERAL.—In addition to other taxes,
16 there is hereby imposed on the income of every indi-
17 vidual a tax equal to the applicable percentage of the
18 wages (as defined in section 3121(a)) received by
19 him with respect to employment (as defined in sec-
20 tion 3121(b)).

21 “(2) APPLICABLE PERCENTAGE.—For purposes
22 of paragraph (1), the term ‘applicable percentage’
23 means the percentage determined under the fol-
24 lowing table:

“In case of wages received during:	The applicable percentage shall be:
2026	6.25 percent
2027	6.30 percent
2028	6.35 percent
2029	6.40 percent
2030	6.45 percent
2031 or thereafter	6.50 percent.”.

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

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

5 “(1) IN GENERAL.—In addition to other taxes,
6 there is hereby imposed on every employer an excise
7 tax, with respect to having individuals in his employ,
8 equal to the applicable percentage of the wages (as
9 defined in section 3121(a)) paid by him with respect
10 to employment (as defined in section 3121(b)).

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

“In case of a taxable year beginning during calendar year:	The applicable percentage shall be:
2026	6.25 percent
2027	6.30 percent
2028	6.35 percent
2029	6.40 percent
2030	6.45 percent
2031 or thereafter	6.50 percent.”.

15 (b) SELF-EMPLOYMENT.—Subsection (a) of section
16 1401 of such Code is amended to read as follows:

1 “(a) OLD-AGE, SURVIVORS, AND DISABILITY INSUR-
2 ANCE.—

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

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

“In case of a taxable year beginning during calendar year:	The applicable percentage shall be:
2026	12.5 percent
2027	12.6 percent
2028	12.7 percent
2029	12.8 percent
2030	12.9 percent
2031 or thereafter	13.0 percent.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply with respect to remuneration re-
14 ceived, and taxable years beginning after, December 31,
15 2025.

16 **SEC. 8. NON-APPLICATION OF INCREASE IN SOCIAL SECU-**
17 **RITY BENEFITS FOR MEANS-TESTED PRO-**
18 **GRAMS.**

19 Any increase in monthly insurance benefits under
20 title II of the Social Security Act as a result of the amend-
21 ments made by this Act shall not be regarded as income

1 or resources for any month after December 2025, for pur-
2 poses of determining the eligibility of the recipient (or the
3 recipient's spouse or family) for benefits or assistance, or
4 the amount or extent of benefits or assistance, under any
5 Federal program or under any State or local program fi-
6 nanced in whole or in part with Federal funds.

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