
HOUSE RESOLUTION

URGING THE PRESIDENT AND THE UNITED STATES CONGRESS TO ENACT
LEGISLATION TO INCREASE, FOR SOCIAL SECURITY BENEFICIARIES,
THE LEVELS OF PROVISIONAL INCOME, WHICH INCLUDE SOCIAL
SECURITY BENEFITS, BY AN AMOUNT EQUAL TO THE FEDERAL COST
OF LIVING ALLOWANCE GRANTED TO FEDERAL EMPLOYEES IN HAWAII.

1 WHEREAS, prior to 1983, Social Security benefits were not
2 taxed as income; and

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4 WHEREAS, Social Security benefits include monthly survivor
5 and disability benefits, but not supplemental security income
6 payments, which are not taxable; and

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8 WHEREAS, generally, if Social Security benefits constitute
9 a person's only income, benefits are not taxable; and

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11 WHEREAS, however, currently, up to fifty per cent of Social
12 Security benefits may be taxable as income for a filer who is:

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14 (1) Single;

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16 (2) Head of household;

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18 (3) Qualifying widow;

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20 (4) Widower with a dependent child; or

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22 (5) Married filing separately, who did not live with the
23 filer's or her spouse during the year,

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25 and who has a provisional annual income between \$25,000 and
26 \$34,000; and for married couples filing jointly who have a
27 provisional annual income between \$32,000 and \$44,000; and
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1 WHEREAS, the percentage of Social Security benefits subject
2 to income tax rises to eighty-five per cent for these same
3 single and joint filers if their provisional annual incomes
4 exceed \$34,000 and \$44,000, respectively; and

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6 WHEREAS, in 1983, when Social Security benefits were first
7 taxed, incomes between \$25,000 to \$34,000 and between \$32,000 to
8 \$44,000 for single and joint filers, respectively, were targeted
9 as "high incomes"; and

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11 WHEREAS, these income levels have not been adjusted for
12 inflation over the years and can no longer be considered high
13 for retirees; and

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15 WHEREAS, in 2007, the \$25,000 threshold for individual
16 filers in 1983 would have been \$50,807 and the \$32,000 threshold
17 for joint filers would have been \$65,003, if adjusted for
18 inflation using the consumer price index according to the Bureau
19 of Labor Statistics of the Department of Labor; and

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21 WHEREAS, according to the same source, to have up to
22 eighty-five per cent of Social Security benefits subject to
23 income tax, single filers making more than \$34,000 in 1983 would
24 have had to make more than \$69,098 in 2007 and more than \$89,421
25 for joint filers; and

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27 WHEREAS, the federal tax on Social Security benefits is
28 even more inequitable for retirees living in Hawaii because the
29 cost of living in Hawaii is higher than on the United States
30 mainland, and

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32 WHEREAS, the federal government provides a twenty-five per
33 cent cost of living allowance in this State for federal
34 employees but does not provide a comparable allowance for social
35 security recipients; now, therefore,

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37 BE IT RESOLVED by the House of Representatives of the
38 Twenty-fourth Legislature of the State of Hawaii, Regular
39 Session of 2007, that the President and the Congress of the
40 United States are urged to enact legislation to increase, for
41 Social Security beneficiaries, the levels of provisional income,



1 which include Social Security benefits, by an amount equal to
2 the federal cost of living allowance granted to federal
3 employees in Hawaii; and
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5 BE IT FURTHER RESOLVED that Hawaii's Congressional
6 delegation is requested to introduce legislation to this effect;
7 and
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9 BE IT FURTHER RESOLVED that certified copies of this
10 Resolution be transmitted to the President of the United States,
11 the President of the United States Senate pro tem, the Speaker
12 of the United States House of Representatives, Hawaii's
13 Congressional delegation, the Secretary of the Treasury through
14 the Commissioner of the Internal Revenue Service, and the
15 Director of Taxation.
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OFFERED BY:



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