

## PUBLIC DEBT; SOCIAL SECURITY BENEFIT INCREASE

---

JUNE 30, 1972.—Ordered to be printed

---

Mr. MILLS of Arkansas, from the committee of conference,  
submitted the following

### CONFERENCE REPORT

[To accompany H.R. 15390]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15390) to provide for a four-month extension of the present temporary level in the public debt limitation, having met, after full and free conference, have been unable to agree.

## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15390) to provide for a four-month extension of the present temporary level in the public debt limitation, report that the conferees have been unable to agree.

**Amendment No. 1:** The Senate amendment amends section 165(h) of the Internal Revenue Code of 1954 (relating to disaster losses) to provide that any loss attributable to a disaster which occurs during the first 6 calendar months of the taxable year in an area subsequently determined by the President to warrant assistance by the Federal Government under the Disaster Relief Act of 1970 may, at the election of the taxpayer, be deducted for the taxable year immediately preceding the taxable year in which the disaster occurred. Existing law has a similar provision (existing section 165(h) of the Code), except that the taxpayer may elect under this existing provision only if the disaster occurs on or before the due date for the return (April 15 in the case of a calendar year individual taxpayer). Under the Senate amendment, this change in the law applies to disasters which occur after December 31, 1971. Thus, for example, a calendar year taxpayer who has suffered a loss on or before June 30, 1972, which qualifies under section 165(h) of the Code may elect to deduct that loss against the income which he had for his taxable year ending December 31, 1971.

The amendment is reported in disagreement.

### AMENDMENT NO. 2; INCREASE IN SOCIAL SECURITY BENEFITS

The Senate amendment added to the House bill a new title II providing a 20 percent increase in social security benefits and making related changes in the OASDI program. In addition to the benefit increase (which applies also to benefits for certain individuals age 72 and over), the amendment—

(1) provided for automatic increases in social security benefits (which could first become effective in January 1975) to reflect rises in the cost of living;

(2) provided for automatic increases in the contribution and benefit base (i.e., the amount of earnings which can be taken into account for tax and benefit purposes) whenever an automatic cost-of-living increase in benefit occurs, and in the meanwhile increases the present contribution and benefit base from \$9,000 to \$10,800 for 1973 and \$12,000 for 1974;

(3) made appropriate adjustments in the rates of the social security taxes (both OASDI and HI) to assure adequate financing for the benefit increase; and

(4) made appropriate adjustments in the rate of allocation to the Disability Insurance Trust Fund. The amendment is reported in disagreement.

The Senate amended the title of the bill to reflect the additional material added by amendments numbered 1 and 2. The amendment is reported in disagreement.