

OASDI COVERAGE OF MINISTERS AND OKLAHOMA ENGINEERING AIDES, RETROACTIVE DISABILITY DETERMINATIONS

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AUGUST 21, 1964.—Ordered to be printed
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Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany H.R. 9393]

The Committee on Finance, to whom was referred the bill (H.R. 9393) to amend title II of the Social Security Act to provide full retroactivity for disability determinations, to extend the period within which ministers may elect coverage, and to validate wages erroneously reported for certain engineering aides employed by soil and water conservation districts in Oklahoma, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

GENERAL STATEMENT

First, the bill amends the old-age, survivors, and disability insurance program under the Social Security Act to permit a disabled worker to establish the beginning of his disability, for purposes of social security protection, as of the date he actually became disabled regardless of when he files his application. In the case of applications filed after June 30, 1962, the period of disability may begin no more than 18 months before the application for disability benefits is filed. Because of this restriction it appears that more than 50,000 people (disabled workers and their dependents) who filed applications during the 12 months following June 1962 have either been denied benefits or had their benefits lowered by reason of delayed filing. These persons will be allowed benefits or have their benefits increased by virtue of this amendment.

Second, the bill amends the Internal Revenue Code of 1954 as it affects the rights of ministers whose eligibility for electing social security coverage has expired. It would extend, generally through

April 15, 1965, the time within which such persons (including Christian Science practitioners) can elect to be covered under social security. Ministers who failed to elect social security coverage before the deadline of April 15, 1962, which applied to most of them, would have another opportunity to elect coverage.

Third, the bill validates certain earnings reported under social security of engineering aides working for local soil and water conservation districts in Oklahoma who were reported in good faith, but erroneously, as State employees under the coverage agreement between the State of Oklahoma and the Secretary of Health, Education, and Welfare.

Fourth, the bill provides for excluding from the definition of wages for social security and unemployment insurance purposes, payments by an employer to a newly hired employee for reimbursement of moving expenses in reporting to his place of employment. This change is to conform with new income-tax withholding procedures authorized by the Revenue Act of 1964.

Fifth, the bill will allow the States to extend the duration of the income exemption for certain needy blind who have State-approved rehabilitation plans. Titles X and XVI of the Social Security Act provide that, in determining need for eligibility purposes under the blind program, there shall be exempted by the State agency in addition to certain specified amounts of earned income, other amounts of income and resources for individuals under such plans for as much as a 12-month period. The committee bill would authorize the States at their option, to extend the exemption under such plans for a period of up to 36 months.

Elimination of present restriction on the time for filing fully retroactive applications for establishing disability periods

When the legislation providing disability benefits under social security was enacted in 1956, benefits were made available to disabled workers who had become disabled many years before, provided that the disability insured-status requirements were met at the time the disability began. This was done in view of the need for benefits on the part of the great number of workers who were already disabled, though it was recognized that there would be problems in determining whether a person who had stopped working many years before had met the definition of disability at a point when he still met the disability insured-status requirement of 5 years of covered work during the 10-year period preceding disablement. At the same time, it was assumed that almost all of the disabled workers applying for benefits in the future would be those whose disabilities had begun quite recently, and that there would be no need to continue to face the problems of determining whether a person who stopped working many years ago met the definition of disability when he still met the 5-years-out-of-10 requirement. It was, therefore, provided that after a specified date disabled workers would be required to file applications relatively promptly in order to protect their rights. The date at which the requirement of relatively prompt filing was to take effect was postponed several times, and the requirement finally became effective with respect to applications filed after June 30, 1962. Under present law, a period of disability (the period during which a worker's earnings record is "frozen" so that the period does not count against him

in determining whether he is insured and in computing his benefit amount) may be established beginning no earlier than 18 months before the application is filed. The requirement of 5 years of covered work in the preceding 10-year period must be met at the point the period of disability begins. People who have been unable to work for a long time because of total disability but delay filing application for disability protection may fail to qualify for a period of disability and lose all social security benefit rights or have their benefit amounts significantly reduced because they are unable to meet these work requirements in the 18 months before they filed.

The committee has concluded that the original assumption that over the long run almost all totally disabled workers would apply promptly for disability benefits can no longer be maintained. Despite continuing efforts to inform disabled people of their rights under social security, many, for one reason or another, still do not apply for their benefits promptly. For example, in some instances there are medical or other factors that suggest that a totally and permanently disabled individual should not be informed of his unfortunate prognosis; he assumes that his condition will improve and does not file promptly. Most applicants who delay filing—particularly those who delay for a relatively short period, but longer than 1½ years after disablement—are able to qualify for monthly benefits that are smaller in amount than would have been the case had they applied promptly; others lose their right to benefits altogether. Among disability applicants filing during the 12 months following June 30, 1962, it appears that more than 50,000 people, including disabled workers and dependents, have suffered loss or diminution of benefits because the disabled worker failed to apply promptly.

The committee believes that the experience, over a number of years, in making determinations concerning the beginning date of a disability of long standing has shown that the expected problems are not of sufficient magnitude to support the continuation of a provision under which so many people suffer a continuing loss or diminution of benefits by reason of the date on which they filed an application. The committee, therefore, recommends that disabled workers be permitted to establish the beginning of a period of disability as of the date of actual disablement, even though the application for disability benefits is filed much later. Under the committee's bill, benefits or increased benefits resulting from the change we recommend would not be payable for more than 12 months prior to the effective date specified in the bill or the date of the application, whichever is later. This would be in accord with comparable provisions of present law, under which social security benefits are payable for no more than 12 months prior to the filing of an application.

Provision of an additional opportunity for ministers to obtain coverage

Coverage was made available to ministers, under the Social Security Amendments of 1954, on an individual voluntary basis. The 1954 legislation provided that ministers (including members of religious orders, other than members of religious orders who have taken vows of poverty as members of such orders, and Christian Science practitioners) already in practice would be covered if they filed, by April 15, 1957, certificates electing social security coverage. In 1957 and 1960, when it appeared that many clergymen who desired coverage had, through

lack of knowledge or misunderstanding of the provisions, failed to file timely certificates electing coverage, legislation was enacted to extend the time for electing coverage. The 1960 extension expired on April 15, 1962. Under present law, in general, only newly ordained ministers (and ministers who have not had net earnings from self-employment of \$400 or more, some part of which was from the exercise of the ministry, for as many as 2 taxable years after 1954) may still file certificates electing coverage.

Notwithstanding these extensions of the time for electing coverage many ministers who want coverage have failed to file certificates electing coverage under the self-employment provisions. In some cases, such ministers failed to file timely certificates because they misunderstood the provisions or were unaware of the deadline. Other ministers erroneously believed that they met the requirements for electing coverage by filing tax returns.

The committee is concerned about the need to maintain reasonable restrictions on the time within which ministers may elect coverage. However, the situation of ministers who desire social security protection but have failed to take timely action to become covered seemed to require an extension in the time for election, despite our misgivings and the problems involved. To this end, ministers who have lost their eligibility would be permitted to file certificates through April 15, 1965. Certificates filed under this amendment would be effective for taxable years ending after 1961 and all succeeding years.

Validation of earnings reported for certain engineering aides employed by soil and water conservation districts in Oklahoma

The committee's bill validates the earnings reported under social security for those engineering aides working for local soil and water conservation districts who were erroneously reported as State employees under the coverage agreement between the State of Oklahoma and the Secretary of Health, Education, and Welfare. The employees involved should properly have been reported as employees of the local soil and water conservation districts, where such districts were covered under the State's social security coverage agreement. Clearly, the State of Oklahoma has acted in good faith. The State intended from the outset to provide social security coverage for the employees concerned. Through the years the State has been filing wage reports and paying contributions for these employees, believing that the engineering aides were employees of the Oklahoma State Soil Conservation Board.

Recently, however, the attorney general of the State of Oklahoma has held that these engineering aides are in the employ of the local conservation districts. The committee's bill would treat these employees as though they were, for the period January 1, 1951, through June 30, 1962, employees of the State, thereby validating their coverage under social security for this period. The bill would have no effect on social security coverage for periods after June 30, 1962.

Exclusion of moving expenses from covered wages for social security and unemployment insurance purposes

The committee has added to the House-passed bill a provision for excluding from the definition of "wages" for social security and unemployment insurance purposes, amounts received by a newly hired

employee as reimbursement of moving expenses incurred in reporting to his place of employment.

Prior to 1964, amounts received by a new employee as moving expenses were included in gross income and were subject to social security, unemployment insurance, and income tax withholding. The Revenue Act of 1964 not only provided a special deduction for the moving expenses of new employees, but also changed the income tax withholding provisions to exempt these amounts from withholding to the extent that, at the time the payment was received, it was reasonable to believe that the employee could claim a deduction for moving expenses.

Under the committee bill, the social security and unemployment insurance provisions relating to these payments would be changed to conform with the new income tax withholding provisions. Thus to the extent a deduction may be available, these reimbursements would not be subject either to the social security or unemployment tax. Since the payments that the bill would exclude from coverage are merely reimbursement for expenses incurred, they are properly not wages or salary and should be excluded from the definition of "wages."

Income and resources requirement in aid to the blind public assistance program

The Public Welfare Amendments of 1962 amended titles X and XVI of the Social Security Act to provide that, in determining need for eligibility purposes in the aid to the blind program, a State shall, in addition to the specified exempted amounts of earned income in present law, exempt such other amounts of income and resources for an individual who has a plan approved by the State agency for achieving self-support, as will be necessary to fulfill such plan. Under this legislation the period of additional exemption cannot be in excess of 12 months for any individual.

The committee has added a section to the House-passed bill which would retain the provision of existing law, but permit a State, at its option, to allow a period beyond 12 months but not in excess of 36 months for an individual who has such a State-approved plan. The amounts otherwise exempted under existing law are the first \$85 per month of earned income, plus one-half of earned income in excess of this amount.

SECTION-BY-SECTION ANALYSIS OF THE BILL

SECTION 1. ELIMINATION OF PRESENT RESTRICTION ON THE TIME FOR FILING FULLY RETROACTIVE APPLICATIONS FOR ESTABLISHING DISABILITY PERIODS

In general

Subsection (a) of the first section of the bill amends section 216(i)(2) of the Social Security Act to provide that a period of disability will begin as early as the actual onset of disability (provided the other requirements of the law are met), regardless of when application for a determination of the disability is filed.

Subsection (b) of the first section of the bill deletes the reference, presently contained in paragraph (3) of section 216(i) of the Social Security Act, to paragraph (4) of such section 216(i). Paragraph (4), which now limits applications for a determination of disability filed

after June 30, 1962, by providing that the beginning of a period of disability may be established no earlier than 18 months before the date of an application so filed, is repealed by subsection (c) of the first section of the bill.

Effective date and related provisions

Subsection (d) of the first section of the bill for the most part describes ~~the~~ cases in which the amendments made by the preceding subsections are to be applicable.

Paragraph (1) of subsection (d) provides that the changes made by the preceding subsections are effective for applications filed after the month following the month of enactment of the bill.

Paragraph (2) of subsection (d) provides that the changes made by subsections (a), (b), and (c) will also be effective in the case of an application for a disability determination under section 216(i) of the Social Security Act filed by an individual in the period beginning July 1, 1962, and ending with the close of the month following the month enactment of the bill but only if the individual (i) was continuously disabled from the date on which he filed his application up to the first day of the second month after the month in which the bill is enacted (or, if earlier, up to the first day of the month in which he attained age 65), and (ii) is living on the first day of the second month following the month in which the bill is enacted.

Paragraph (3) of subsection (d) provides that an application for disability insurance benefits filed under section 223 of the Social Security Act by a disabled worker within the period specified in paragraph (2) of subsection (d) (and an application by the dependents of such a disabled worker for benefits under section 202 of such act will be deemed a valid application despite section 202(j)(2) and the first sentence of section 223(b) of such act, which limit the period for advance filing of applications) if the worker was under a disability throughout such period and is not entitled to disability insurance benefits in any month of such period but for the enactment of this section of the bill.

This paragraph of subsection (d) also provides that if a disabled worker filed such an application for disability insurance benefits within the period specified in paragraph (2) of subsection (d) and was entitled to such benefits (without the application of this section of the bill) for a continuous period of months preceding the second month following the month in which the bill is enacted or, if earlier, preceding the month of his entitlement to old-age insurance benefit under section 202(a) of the Social Security Act, the primary insurance amount of such worker (used for computing benefit amounts under title II of the Social Security Act) will be recomputed if such primary insurance amount would be increased solely by reason of the enactment of this section of the bill.

Paragraph (4) of subsection (d) provides that no monthly insurance benefits and no increase in monthly insurance benefits under title II of the Social Security Act will be paid by reason of the enactment of this section of the bill for any month before the 11th month before the month of enactment of the bill.

Paragraph (5) of subsection (d) provides that in the case of an individual (A) who was (without the application of section 202(j)(1) of the Social Security Act, which gives some retroactive effect to

applications) entitled to dependent's benefits under such act, or to old age insurance benefits that were actuarially reduced under section 202(q) of such act for any month in the period described in paragraph (2) of subsection (d) of this section of the bill, (B) who was under a disability which began more than 6 months before the first month of his entitlement to such dependent's or reduced benefits and continues through the month following the month of enactment and (C) who files application for disability insurance benefits under section 223 of the Social Security Act—

(i) subsection (a)(3) of section 223 of such act will not prevent such individual from becoming entitled to such disability insurance benefits;

(ii) the provisions of subsection (a)(1) of such section 223, terminating entitlement to disability insurance benefits by reason of entitlement to old age insurance benefits, will not apply with respect to such individual unless and until he again becomes entitled to old age insurance benefits;

(iii) in case such individual is thereby entitled to both old-age insurance and disability insurance benefits for any month, he will be entitled only to disability insurance benefits; and

(iv) in case such reduced benefits previously payable were old-age insurance benefits and were payable for months in the period described in paragraph (2) of subsection (d) of this section of the bill, such benefits will not be recomputed solely by reason of the enactment of this section of the bill and, if they are otherwise recomputed, the amendments made by this section will not apply to the recomputation; but the months for which such individual received such old-age insurance benefits and which occurred before or during the period for which he becomes entitled to disability insurance benefits by reason of the enactment of this section of the bill, and the months for which he received such disability insurance benefits, will not cause any actuarial reduction in the amount of any old-age insurance benefits to which he may subsequently become entitled.

Paragraph (6) of subsection (d) provides that benefits payable to an individual under section 202 of the Social Security Act will not be terminated solely by reason of the enactment of this section of the bill, except where the individual becomes entitled to a larger benefit under section 202(a) or 223 of the Social Security Act.

SECTION 2. EXTENSION OF TIME FOR MINISTERS TO ELECT COVERAGE

Additional period for filing certificate

Section 2(a) of the bill amends clause (B) of section 1402(e)(2) of the Internal Revenue Code of 1954 to provide an additional period within which certain ministers, members of religious orders (other than persons who have taken a vow of poverty as members of such an order), and Christian Science practitioners may file a certificate electing to be covered under title II of the Social Security Act. Under present law, any individual who has had net earnings from self-employment of \$400 or more, any part of which was derived from services as a minister, member of a religious order, or Christian Science practitioner, in two or more taxable years beginning after 1954, but who failed to file a certificate within the time prescribed by

the present section 1402(e)(2), no longer has an opportunity to elect coverage. The time period for filing the certificate by these individuals generally expired April 15, 1962; i.e., the time for filing ended with the due date for the 1961 tax return or with the due date of the return for the second year after 1954 in which the individual had earnings of \$400 or more wholly or partly from the religious occupations described, whichever is later. Under this section of the bill, every such individual whose date for electing coverage has expired is afforded a further opportunity to make the election. The election may be made by filing a certificate on or before the due date of the return (including any extension thereof) for the individual's second taxable year ending after 1962 (generally April 15, 1965).

Effective period for certificate

Section 2(b) of the bill amends section 1402(e)(3) of the Internal Revenue Code of 1954 by adding a new subparagraph (C). Under the present section 1402(e)(3), a certificate which is timely filed is effective for the taxable year immediately preceding the earliest taxable year for which, at the time the certificate is filed, the period for filing a return (including any extension thereof) has not expired—and for all succeeding taxable years. Thus, under the present section 1402(e)(3), where the taxable year is a calendar year and there is no extension of time for filing of the tax return, a certificate filed on or before April 15 of the year following such taxable year is effective for the 2 taxable years preceding the year in which the certificate is filed, and for all years following these 2 taxable years. If the certificate in such case is filed after April 15, it is effective only for the immediately preceding taxable year and all years thereafter. Under the conditions described in section 1402(e)(3), as amended by section 2(b) of the bill, a certificate filed under section 1402(e) after April 15, 1964, and before April 16, 1965, will be effective for the first taxable year ending after 1961—a year earlier than that for which the certificate would be effective under the general rule stated in section 1402(e)(3).

Effective date

Section 2(c) of the bill provides that the amendments made by section 2 of the bill are applicable only with respect to certificates filed after the date of the enactment of the bill. However, no monthly benefits under title II of the Social Security Act will be payable or increased by reason of such amendments for any month earlier than the month following the month of enactment of the bill.

SECTION 3. VALIDATION OF COVERAGE FOR CERTAIN ENGINEERING AIDES EMPLOYED BY SOIL AND WATER CONSERVATION DISTRICTS IN OKLAHOMA

Section 3 of the bill provides that, for purposes of section 218 of the Social Security Act, remuneration paid to district engineering aides employed by local soil and water conservation districts of the State of Oklahoma which was reported by the State as amounts paid to such aides as employees of the State for services performed by them from January 1, 1951, through June 30, 1962, shall be deemed to have been paid for services performed by them as employees of the State. This provision has the effect of validating old-age, survivors', and

disability insurance wage credits of such engineering aides for the period during which they were reported as State employees, although they were employees of local soil and water conservation districts.

SECTION 4. EXCLUSION OF MOVING EXPENSES FROM COVERED WAGES FOR SOCIAL SECURITY AND UNEMPLOYMENT INSURANCE PURPOSES

Section 4, which is a new section added to the bill as passed by the House, makes a change in the definition of "wages" for social security and unemployment insurance purposes to conform the definition to that for income tax withholding purposes with respect to the treatment of moving expenses. The major effect of the change is to exclude from "wages" for social security and unemployment insurance purposes payments made by an employer to or on behalf of a newly hired employee for reimbursement for moving expenses incurred in reporting to the new place of employment.

Section 4(a) of the bill amends section 209 of the Social Security Act (relating to the definition of "wages" for social security benefit purposes) by adding a new subsection (k). The new subsection excludes from the definition remuneration paid to or on behalf of an employee if at the time it is paid it is reasonable to believe that it will be deductible by the employee for income tax purposes under section 217 of the Internal Revenue Code of 1954. This language is identical with that in the definition of "wages" for income tax withholding purposes. The section of the code referred to is that which governs what moving expenses are allowable deductions for income tax purposes.

Section 4(b) of the bill makes a corresponding change in section 3121(a) of the Internal Revenue Code (relating to the definition of "wages" for social security tax purposes).

Section 4(c) of the bill makes a corresponding change in section 3306(b) of the Internal Revenue Code (relating to the definition of "wages" in the Federal Unemployment Tax Act).

Section 4(d) provides that the amendments made by this section will be effective with respect to remuneration paid on or after the first day of the first calendar month which begins more than 10 days after the date of enactment of the bill.

Section 5 of the bill amends clause 8 of section 1002(a) of the Social Security Act so as to allow a State the option to extend the period of income and resources exemption under State-agency-approved rehabilitation plans beyond 12 months but not more than 36 months. Under existing law, which is continued, the State agency is required, for a period not in excess of 12 months, to disregard such additional amounts of other income and resources, in the case of a blind individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan. A corresponding change is made in clause (14) of section 1602 of the Social Security Act.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is

enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SOCIAL SECURITY ACT

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TITLE II—FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

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DEFINITION OF WAGES

SEC. 209. For the purposes of this title, the term "wages" means remuneration paid prior to 1951 which was wages for the purposes of this title under the law applicable to the payment of such remuneration, and remuneration paid after 1950 for employment, including the cash value of all remuneration paid in any medium other than cash; except that, in the case of remuneration paid after 1950, such term shall not include—

(a)(1) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to \$3,600 with respect to employment has been paid to an individual during any calendar year prior to 1955, is paid to such individual during such calendar year;

(2) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to \$4,200 with respect to employment has been paid to an individual during any calendar year after 1954 and prior to 1959, is paid to such individual during such calendar year;

(3) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to \$4,800 with respect to employment has been paid to an individual during any calendar year after 1958, is paid to such individual during such calendar year;

(b) The amount of any payment (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) made to, or on behalf of, an employee or any of his dependents under a plan or system established by an employer which makes provision for his employees generally (or for his employees generally and their dependents) or for a class or classes of his employees (or for a class or classes of his employees and their dependents), on account of (1) retirement, or (2) sickness or accident disability, or (3) medical or hospitalization expenses in connection with sickness or accident disability, or (4) death;

(c) Any payment made to an employee (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) on account of retirement;

(d) Any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to, or on behalf of, an employee after the expiration of six calendar months following the last calendar month in which the employee worked for such employer;

(e) Any payment made to, or on behalf of, an employee or his beneficiary (1) from or to a trust exempt from tax under section 165(a) of the Internal Revenue Code of 1939 at the time of such payment or, in the case of a payment after 1954, under sections 401 and 501(a) of the Internal Revenue Code of 1954, unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust, or (2) under or to an annuity plan which, at the time of such payment, meets the requirements of section 165(a) (3), (4), (5), and (6) of the Internal Revenue Code of 1939 or, in the case of a payment after 1954, the requirements of section 401(a) (3), (4), (5), and (6) of the Internal Revenue Code of 1954;

(f) The payment by an employer (without deduction from the remuneration of the employee) (1) of the tax imposed upon an employee under section 1400 of the Internal Revenue Code of 1939, or in the case of a payment after 1954 under section 3101 of the Internal Revenue Code of 1954, or (2) of any payment required from an employee under a State unemployment compensation law;

(g) (1) Remuneration paid in any medium other than cash to an employee for service not in the course of the employer's trade or business or for domestic service in a private home of the employer;

(2) Cash remuneration paid by an employer in any calendar quarter to an employee for domestic service in a private home of the employer, if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50. As used in this paragraph, the term "domestic service in a private home of the employer" does not include service described in section 210(f)(5);

(3) Cash remuneration paid by an employer in any calendar quarter to an employee for service not in the course of the employer's trade or business, if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50. As used in this paragraph, the term "service not in the course of the employer's trade or business" does not include domestic service in a private home of the employer and does not include service described in section 210(f)(5);

(h)(1) Remuneration paid in any medium other than cash for agricultural labor;

(2) Cash remuneration paid by an employer in any calendar year to an employee for agricultural labor unless (A) the cash remuneration paid in such year by the employer to the employee for such labor is \$150 or more, or (B) the employee performs agricultural labor for the employer on twenty days or more during such year for cash remuneration computed on a time basis;

(i) Any payment (other than vacation or sick pay) made to an employee after the month in which he attains age 62 (if a woman) or age 65 (if a man), if he did not work for the employer in the period for which such payment is made. As used in this subsection, the term "sick pay" includes remuneration for service in the employ of a State, a political subdivision (as defined in section 218(b)(2)) of a State, or an instrumentality of two or more States, paid to an employee thereof for a period during which he was absent from work because of sickness, **[or]**

(j) Remuneration paid by an employer in any quarter to an employee for service described in section 210(j)(3)(C) (relating to

home workers), if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50 [.]]; or

(k) *Remuneration paid to or on behalf of an employee if (and to the extent that) at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217 of the Internal Revenue Code of 1954.*

For purposes of this title, in the case of domestic service described in subsection (g)(2), any payment of cash remuneration for such service which is more or less than a whole-dollar amount shall, under such conditions and to such extent as may be prescribed by regulations made under this title, be computed to the nearest dollar. For the purpose of the computation to the nearest dollar, the payment of a fractional part of a dollar shall be disregarded unless it amounts to one-half dollar or more, in which case it shall be increased to \$1. The amount of any payment of cash remuneration so computed to the nearest dollar shall, in lieu of the amount actually paid, be deemed to constitute the amount of cash remuneration for purposes of subsection(g)(2).

For purposes of this title, in the case of an individual performing service, as a member of a uniformed service, to which the provisions of section 210(l)(1) are applicable, the term "wages" shall, subject to the provisions of subsection (a) of this section, include as such individual's remuneration for such service only his basic pay as described in section 102(10) of the Servicemen's and Veterans' Survivor Benefits Act.

For purposes of this title, in the case of an individual performing service, as a volunteer or volunteer leader within the meaning of the Peace Corps Act, to which the provisions of section 210(o) are applicable, (1) the term "wages" shall, subject to the provisions of subsection (a) of this section, include as such individual's remuneration for such service only amounts certified as payable pursuant to section 5(c) or 6(1) of the Peace Corps Act, and (2) any such amount shall be deemed to have been paid to such individual at the time the service, with respect to which it is paid, is performed.

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SEC. 216. * * *

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Disability; Period of Disability

(i) (1) Except for purposes of sections 202(d), 223, and 225, the term "disability" means (A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration, or (B) blindness; and the term "blindness" means central visual acuity of 5/200 or less in the better eye with the use of a correcting lens. An eye in which the visual field is reduced to five degrees or less concentric contraction shall be considered for the purpose of this paragraph as having a central visual acuity of 5/200 or less. An individual shall not be considered to be under a disability unless he furnishes such proof of the existence thereof as may be required. Nothing in this title shall be construed as authorizing the Secretary or any other officer or employee

of the United States to interfere in any way with the practice of medicine or with relationships between practitioners of medicine and their patients, or to exercise any supervision or control over the administration or operation of any hospital.

(2) The term "period of disability" means a continuous period (beginning and ending as hereinafter provided in this subsection) during which an individual was under a disability (as defined in paragraph (1)), but only if such period is of not less than six full calendar months' duration or such individual was entitled to benefits under section 223 for one or more months in such period. No such period shall begin as to any individual unless such individual, while under such disability, files an application for a disability determination with respect to such period; and no such period shall begin as to any individual after such individual attains the age of sixty-five. [Except as provided in paragraph (4), a period of disability shall (subject to section 223(a)(3)) begin—

[(A) if the individual satisfies the requirements of paragraph (3) on such day,

[(i) on the day the disability began, or

[(ii) on the first day of the eighteen-month period which ends with the day before the day on which the individual files such application, whichever occurs later;

[(B) if such individual does not satisfy the requirements of paragraph (3) on the day referred to in subparagraph (A), then on the first day of the first quarter thereafter in which he satisfies such requirements.]

A period of disability shall (subject to section 223(a)(3)) begin—

(A) on the day the disability began, but only if the individual satisfies the requirements of paragraph (3) on such day; or

(B) if such individual does not satisfy the requirements of paragraph (3) on such day, then on the first day of the first quarter thereafter in which he satisfies such requirements.

A period of disability shall end with the close of the last day of the month preceding whichever of the following months is the earlier: the month in which the individual attains age sixty-five or the third month following the month in which the disability ceases. No application for a disability determination which is filed more than three months before the first day on which a period of disability can begin (as determined under this paragraph), or, in any case in which clause (ii) of section 223(a)(1) is applicable, more than six months before the first month for which such applicant becomes entitled to benefits under section 223, shall be accepted as an application for purposes of this paragraph, and no such application which is filed prior to January 1, 1955, shall be accepted. Any application for a disability determination which is filed within such three months' period or six months' period shall be deemed to have been filed on such first day or in such first month, as the case may be.

(3) The requirements referred to in clause (A) and (B) [of paragraphs (2) and (4)] of paragraph (2) are satisfied by an individual with respect to any quarter only if—

(A) he would have been a fully insured individual (as defined in section 214) had he attained age 62 (if a woman) or age 65 (if

a man) and filed application for benefits under section 202(a) on the first day of such quarter; and

(B) he had not less than twenty quarters of coverage during the forty-quarter period which ends with such quarter, not counting as part of such forty-quarter period any quarter any part of which was included in a prior period of disability unless such quarter was a quarter of coverage;

except that the provisions of subparagraph (A) of this paragraph shall not apply in the case of any individual with respect to whom a period of disability would, but for such subparagraph, begin prior to 1951.

[(4) If an individual files an application for a disability determination after December 1954, and before July 1962, with respect to a disability which began before January 1961, and continued without interruption until such application was filed, then the beginning day for the period of disability shall be—

[(A) the day such disability began, but only if he satisfies the requirements of paragraph (3) on such day;

[(B) if he does not satisfy such requirements on such day, the first day of the first quarter thereafter in which he satisfies such requirements.]

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TITLE X—GRANTS TO STATES FOR AID TO THE BLIND

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STATE PLANS FOR AID TO THE BLIND

SEC. 1002. (a) A State plan for aid to the blind must (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State; (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; (4) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid to the blind is denied or is not acted upon with reasonable promptness; (5) provide such methods of administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan; (6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports; and (7) provide that no aid will be furnished any individual under the plan with respect to any period with respect to which he is receiving old-age assistance under the State plan approved under section 2 of this Act or aid to families with dependent children under the State plan approved under section 402 of this Act; [(8) provide that the State agency shall, in determining need, take into consideration any other income and resources of

the individual claiming aid to the blind, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination, the State agency shall disregard (A) the first \$85 per month of earned income, plus one-half of earned income in excess of \$85 per month, and (B) for a period not in excess of twelve months, such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan; (8) provide that the State agency shall, in determining need, take into consideration any other income and resources of the individual claiming aid to the blind, as well as any expenses reasonably attributable to the earning of any such income, except that, in making such determination, the State agency (A) shall disregard the first \$85 per month of earned income, plus one-half of earned income in excess of \$85 per month, (B) shall, for a period not in excess of twelve months, and may, for a period not in excess of thirty-six months, disregard such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan; (9) provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of aid to the blind; (10) provide that, in determining whether an individual is blind, there shall be an examination by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select; (11) effective July 1, 1951, provide that all individuals wishing to make application for aid to the blind shall have opportunity to do so, and that aid to the blind shall be furnished with reasonable promptness to all eligible individuals; (12) effective July 1, 1953, provide, if the plan includes payments to individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions; and (13) provide a description of the services (if any) which the State agency makes available to applicants for and recipients of aid to the blind to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services.

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**TITLE XVI—GRANTS TO STATES FOR AID TO THE AGED,
BLIND, OR DISABLED, OR FOR SUCH AID AND MEDICAL ASSISTANCE FOR THE AGED**

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STATE PLANS FOR AID TO THE AGED, BLIND, OR DISABLED, OR FOR SUCH AID AND MEDICAL ASSISTANCE FOR THE AGED

SEC. 1602. (a) A State plan for aid to the aged, blind, or disabled, or for aid to the aged, blind, or disabled and medical assistance for the aged, must—

- (1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;
- (2) provide for financial participation by the State;

(3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan;

(4) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid or assistance under the plan is denied or is not acted upon with reasonable promptness;

(5) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

(7) provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the plan;

(8) provide that all individuals wishing to make application for aid or assistance under the plan shall have opportunity to do so, and that such aid or assistance shall be furnished with reasonable promptness to all eligible individuals;

(9) provide, if the plan includes aid or assistance to or on behalf of individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions;

(10) provide a description of the services (if any) which the State agency makes available to applicants for or recipients of aid or assistance under the plan to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services;

(11) provide that no aid or assistance will be furnished any individual under the plan with respect to any period with respect to which he is receiving assistance under the State plan approved under title I or aid under the State plan approved under title IV, X, or XIV;

(12) provide that, in determining whether an individual is blind, there shall be an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(13) include reasonable standards, consistent with the objectives of this title, for determining eligibility for and the extent of aid or assistance under the plan;

[(14) provide that the State agency shall, in determining need for aid to the aged, blind, or disabled, take into consideration any other income and resources of an individual claiming such aid, as well as any expenses reasonably attributable to the earning of

any such income; except that, in making such determination with respect to any individual who is blind, the State agency shall disregard (A) the first \$85 per month of earned income plus one-half of earned income in excess of \$85 per month and (B) for a period not in excess of twelve months, such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan, and in making such determination with respect to any other individual who has attained age 65 and is claiming aid to the aged, blind, or disabled, of the first \$50 per month of earned income the State agency may, after December 31, 1962, disregard not more than the first \$10 thereof plus one-half of the remainder; and

(14) provide that the State agency shall, in determining need for aid to the aged, blind, or disabled, take into consideration any other income and resources of an individual claiming such aid, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination with respect to any individual who is blind, the State agency (A) shall disregard the first \$85 per month of earned income plus one-half of earned income in excess of \$85 per month, and (B) shall, for a period not in excess of twelve months, and may, for a period not in excess of thirty-six months, disregard such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan, and in making such determination with respect to any other individual who has attained age 65 and is claiming aid to the aged, blind, or disabled, of the first \$50 per month of earned income the State agency may, after December 31, 1962, disregard not more than the first \$10 thereof plus one-half of the remainder; and

(15) if the State plan includes medical assistance for the aged—

(A) provide for inclusion of some institutional and some noninstitutional care and services;

(B) provide that no enrollment fee, premium, or similar charge will be imposed as a condition of any individual's eligibility for medical assistance for the aged under the plan;

(C) provide for inclusion, to the extent required by regulations prescribed by the Secretary, of provisions (conforming to such regulations) with respect to the furnishing of such assistance to individuals who are residents of the State but are absent therefrom; and

(D) provide that no lien may be imposed against the property of any individual prior to his death on account of medical assistance for the aged paid or to be paid on his behalf under the plan (except pursuant to the judgment of a court on account of benefits incorrectly paid on behalf of such individual), and that there shall be no adjustment or recovery (except, after the death of such individual and his surviving spouse, if any, from such individual's estate) of any medical assistance for the aged correctly paid on behalf of such individual under the plan.

Notwithstanding paragraph (3), if on January 1, 1962, and on the date on which a State submits its plan for approval under this title,

the State agency which administered or supervised the administration of the plan of such State approved under title X was different from the State agency which administered or supervised the administration of the plan of such State approved under title I and the State agency which administered or supervised the administration of the plan of such State approved under title XIV, the State agency which administered or supervised the administration of such plan approved under title X may be designated to administer or supervise the administration of the portion of the State plan for aid to the aged, blind, or disabled (or for aid to the aged, blind, or disabled and medical assistance for the aged) which relates to blind individuals and a separate State agency may be established or designated to administer or supervise the administration of the rest of such plan; and in such case the part of the plan which each such agency administers, or the administration of which each such agency supervises, shall be regarded as a separate plan for purposes of this title.

INTERNAL REVENUE CODE OF 1954

Subtitle A—Income Taxes

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CHAPTER 2—TAX ON SELF-EMPLOYMENT INCOME

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SEC. 1402. DEFINITIONS.

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(c) MINISTERS, MEMBERS OF RELIGIOUS ORDERS, AND CHRISTIAN SCIENCE PRACTITIONERS.—

(1) **WAIVER CERTIFICATE.**—Any individual who is (A) a duly ordained, commissioned, or licensed minister of a church or a member of a religious order (other than a member of a religious order who has taken a vow of poverty as a member of such order) or (B) a Christian Science practitioner may file a certificate (in such form and manner, and with such official, as may be prescribed by regulations made under this chapter) certifying that he elects to have the insurance system established by title II of the Social Security Act extended to service described in subsection (c)(4), or service described in subsection (c)(5) insofar as it relates to the performance of service by an individual in the exercise of his profession as a Christian Science practitioner, as the case may be, performed by him.

(2) **TIME FOR FILING CERTIFICATE.**—Any individual who desires to file a certificate pursuant to paragraph (1) must file such certificate on or before whichever of the following dates is later: (A) the due date of the return (including any extension thereof) for his second taxable year ending after 1954 for which he has net earnings from self-employment (computed, in the case of an individual referred to in paragraph (1)(A), without regard to subsection (c)(4), and, in the case of an individual referred to in paragraph (1)(B), without regard to subsection (c)(5) insofar as it relates to the performance of service by an individual in the exercise of his profession as a Christian Science practitioner) or \$400

or more, any part of which was derived from the performance of service described in subsection (c)(4), or from the performance of service described in subsection (c)(5) insofar as it relates to the performance of service by an individual in the exercise of his profession as a Christian Science practitioner, as the case may be; or (B) the due date of the return (including any extension thereof) for his second taxable year ending after **[1959]** 1962.

(3)(A) **EFFECTIVE DATE OF CERTIFICATE.**—A certificate filed pursuant to this subsection shall be effective for the taxable year immediately preceding the earliest taxable year for which, at the time the certificate is filed, the period for filing a return (including any extension thereof) has not expired, and for all succeeding taxable years. An election made pursuant to this subsection shall be irrevocable.

(B) Notwithstanding the first sentence of subparagraph (A), if an individual filed a certificate on or before the date of enactment of this subparagraph which (but for this subparagraph) is effective only for the first taxable year ending after 1956 and all succeeding taxable years, such certificate shall be effective for his first taxable year ending after 1955 and all succeeding taxable years if—

(i) such individual files a supplemental certificate after the date of enactment of this subparagraph and on or before April 15, 1962,

(ii) the tax under section 1401 in respect of all such individual's self-employment income (except for underpayments of tax attributable to errors made in good faith) for his first taxable year ending after 1955 is paid on or before April 15, 1962, and

(iii) in any case where refund has been made of any such tax which (but for this subparagraph) is an overpayment, the amount refunded (including any interest paid under section 6611) is repaid on or before April 15, 1962.

The provisions of section 6401 shall not apply to any payment or repayment described in this subparagraph.

(C) Notwithstanding the first sentence of subparagraph (A), if an individual files a certificate after the date of the enactment of this subparagraph and on or before the due date of the return (including any extension thereof) for his second taxable year ending after 1962, such certificate shall be effective for his first taxable year ending after 1961 and all succeeding years.

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Subtitle C—Employment Taxes

CHAPTER 21—FEDERAL INSURANCE CONTRIBUTIONS ACT

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SUBCHAPTER C—GENERAL PROVISIONS

SEC. 3121. DEFINITIONS.

(a) **WAGES.**—For purposes of this chapter, the term “wages” means all remuneration for employment, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include—

(1) that part of the remuneration which, after remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) equal to \$4,800 with respect to employment has been paid to an individual by an employer during any calendar year, is paid to such individual by such employer during such calendar year. If an employer (hereinafter referred to as successor employer) during any calendar year acquires substantially all the property used in a trade or business of another employer (hereinafter referred to as a predecessor), or used in a separate unit of a trade or business of a predecessor, and immediately after the acquisition employs in his trade or business an individual who immediately prior to the acquisition was employed in the trade or business of such predecessor, then, for the purpose of determining whether the successor employer has paid remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) with respect to employment equal to \$4,800 to such individual during such calendar year, any remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) with respect to employment paid (or considered under this paragraph as having been paid) to such individual by such predecessor during such calendar year and prior to such acquisition shall be considered as having been paid by such successor employer;

(2) the amount of any payment (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) made to, or on behalf of, an employee or any of his dependents under a plan or system established by an employer which makes provision for his employees generally (or for his employees generally and their dependents) or for a class or classes of his employees (or for a class or classes of his employees and their dependents), on account of—

- (A) retirement, or
- (B) sickness or accident disability, or
- (C) medical or hospitalization expenses in connection with sickness or accident disability, or
- (D) death;

(3) any payment made to an employee (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) on account of retirement;

(4) any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to, or on behalf of, an employee after the expiration of 6 calendar months following the last calendar month in which the employee worked for such employer;

(5) any payment made to, or on behalf of, an employee or his beneficiary—

- (A) from or to a trust described in section 401(a) which is exempt from tax under section 501(a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust, or

- (B) under or to an annuity plan which, at the time of such payment, meets the requirements of section 401(a) (3), (4), (5), and (6);
- (6) the payment by an employer (without deduction from the remuneration of the employee)—
- (A) of the tax imposed upon an employee under section 3101 (or the corresponding section of prior law), or
- (B) of any payment required from an employee under a State unemployment compensation law;
- (7)(A) remuneration paid in any medium other than cash to an employee for service not in the course of the employer's trade or business or for domestic service in a private home of the employer;
- (B) cash remuneration paid by an employer in any calendar quarter to an employee for domestic service in a private home of the employer, if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50. As used in this subparagraph, the term "domestic service in a private home of the employer," does not include service described in subsection (g)(5);
- (C) cash remuneration paid by an employer in any calendar quarter to an employee for service not in the course of the employer's trade or business, if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50. As used in this subparagraph, the term "service not in the course of the employer's trade or business" does not include domestic service in a private home of the employer and does not include service described in subsection (g)(5);
- (8)(A) remuneration paid in any medium other than cash for agricultural labor;
- (B) cash remuneration paid by an employer in any calendar year to an employee for agricultural labor unless (i) the cash remuneration paid in such year by the employer to the employee for such labor is \$150 or more, or (ii) the employee performs agricultural labor for the employer on 20 days or more during such year for cash remuneration computed on a time basis;
- (9) any payment (other than vacation or sick pay) made to an employee after the month in which—
- (A) in the case of a man, he attains the age of 65, or
- (B) in the case of a woman, she attains the age of 62,
- if such employee did not work for the employer in the period for which such payment is made; **[or]**
- (10) remuneration paid by an employer in any calendar quarter to an employee for service described in subsection (d)(3) (C) (relating to home workers), if the cash remuneration paid in such quarter by the employer to the employee for such service is less than \$50 **[.]**; or
- (11) remuneration paid to or on behalf of an employee if (and to the extent that) at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217.

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CHAPTER 23—FEDERAL UNEMPLOYMENT TAX ACT

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SEC. 3306. DEFINITIONS.

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(b) **WAGES.**—For purposes of this chapter, the term “wages” means all remuneration for employment, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include—

(1) that part of the remuneration which, after remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) equal to \$3,000 with respect to employment has been paid to an individual by an employer during any calendar year, is paid to such individual by such employer during such calendar year. If an employer (hereinafter referred to as successor employer) during any calendar year acquires substantially all the property used in a trade or business of another employer (hereinafter referred to as a predecessor), or used in a separate unit of a trade or business of a predecessor, and immediately after the acquisition employs in his trade or business an individual who immediately prior to the acquisition was employed in the trade or business of such predecessor, then, for the purpose of determining whether the successor employer has paid remuneration (other than remuneration referred to in the succeeding paragraphs of this subsection) with respect to employment equal to \$3,000 to such individual during such calendar year, any remuneration (other than remuneration referred to in succeeding paragraphs of this subsection) with respect to employment paid (or considered under this paragraph as having been paid) to such individual by such predecessor during such calendar year and prior to such acquisition shall be considered as having been paid by such successor employer;

(2) the amount of any payment (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) made to, or on behalf of, an employee or any of his dependents under a plan or system established by an employer which makes provision for his employees generally (or for his employees generally and their dependents) or for a class or classes of his employees (or for a class or classes of his employees and their dependents), on account of—

- (A) retirement, or
- (B) sickness or accident disability, or
- (C) medical or hospitalization expenses in connection with sickness or accident disability, or
- (D) death;

(3) any payment made to an employee (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) on account of retirement;

(4) any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to, or on behalf of,

an employee after the expiration of 6 calendar months following the last calendar month in which the employee worked for such employer;

(5) any payment made to, or on behalf of, an employee or his beneficiary—

(A) from or to a trust described in section 401(a) which is exempt from tax under section 501(a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust, or

(B) under or to an annuity plan which, at the time of such payment, is a plan described in section 403(a), or

(C) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a)

(6) the payment by an employer (without deduction from the remuneration of the employee)—

(A) of the tax imposed upon an employee under section 3101 (or the corresponding section of prior law), or

(B) of any payment required from an employee under a State unemployment compensation law;

(7) remuneration paid in any medium other than cash to an employee for service not in the course of the employer's trade or business;

(8) any payment (other than vacation or sick pay) made to an employee after the month in which he attains the age of 65, if he did not work for the employer in the period for which such payment is made []; or

(9) remuneration paid to or on behalf of an employee if (and to the extent that) at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217.

