
HOUSE CONCURRENT 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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2 WHEREAS, the percentage of Social Security benefits subject
3 to income tax rises to eighty-five per cent for these same
4 single and joint filers if their provisional annual incomes
5 exceed \$34,000 and \$44,000, respectively; and
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7 WHEREAS, in 1983, when Social Security benefits were first
8 taxed, incomes between \$25,000 to \$34,000 and between \$32,000 to
9 \$44,000 for single and joint filers, respectively, were targeted
10 as "high incomes"; and
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12 WHEREAS, these income levels have not been adjusted for
13 inflation over the years and can no longer be considered high
14 for retirees; and
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16 WHEREAS, in 2007, the \$25,000 threshold for individual
17 filers in 1983 would have been \$50,807 and the \$32,000 threshold
18 for joint filers would have been \$65,003, if adjusted for
19 inflation using the consumer price index according to the Bureau
20 of Labor Statistics of the Department of Labor; and
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22 WHEREAS, according to the same source, to have up to
23 eighty-five per cent of Social Security benefits subject to
24 income tax, single filers making more than \$34,000 in 1983 would
25 have had to make more than \$69,098 in 2007 and more than \$89,421
26 for joint filers; and
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28 WHEREAS, the federal tax on Social Security benefits is
29 even more inequitable for retirees living in Hawaii because the
30 cost of living in Hawaii is higher than on the United States
31 mainland, and
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33 WHEREAS, the federal government provides a twenty-five per
34 cent cost of living allowance in this State for federal
35 employees but does not provide a comparable allowance for social
36 security recipients; now, therefore,
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38 BE IT RESOLVED by the House of Representatives of the
39 Twenty-fourth Legislature of the State of Hawaii, Regular
40 Session of 2007, the Senate concurring, that the President and
41 the Congress of the United States are urged to enact legislation



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

MAR 14 2007

