

**AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
**TO H.R. 227**  
**OFFERED BY MR. SMITH OF MISSOURI**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Clergy Act”.

**3 SEC. 2. REVOCATION BY MEMBERS OF THE CLERGY OF EX-**  
**4                   EMPTION FROM SOCIAL SECURITY COV-**  
**5                   ERAGE.**

6       (a)   IN    GENERAL.—Notwithstanding    section  
7   1402(e)(4) of the Internal Revenue Code of 1986, any ex-  
8   emption which has been received under section 1402(e)(1)  
9   of such Code by a duly ordained, commissioned, or li-  
10   censed minister of a church, a member of a religious order,  
11   or a Christian Science practitioner, and which is effective  
12   for the taxable year in which this Act is enacted, may be  
13   revoked by filing an application therefor (in such form and  
14   manner, and with such official, as may be prescribed by  
15   the Commissioner of Internal Revenue), if such applica-  
16   tion is filed no later than the due date of the Federal in-  
17   come tax return (including any extension thereof) for the  
18   applicant’s second taxable year beginning after December

1 31, 2028. Any such revocation shall be effective (for pur-  
2 poses of chapter 2 of the Internal Revenue Code of 1986  
3 and title II of the Social Security Act (42 U.S.C. 401 et  
4 seq.)), as specified in the application, either with respect  
5 to the applicant's first taxable year beginning after De-  
6 cember 31, 2028, or with respect to the applicant's second  
7 taxable year beginning after such date, and for all suc-  
8 ceeding taxable years; and the applicant for any such rev-  
9 ocation may not thereafter again file an application for  
10 an exemption under such section 1402(e)(1). If the appli-  
11 cation is filed after the due date of the applicant's Federal  
12 income tax return for a taxable year and is effective with  
13 respect to that taxable year, it shall include or be accom-  
14 panied by payment in full of an amount equal to the total  
15 of the taxes that would have been imposed by section 1401  
16 of the Internal Revenue Code of 1986 with respect to all  
17 of the applicant's income derived in that taxable year  
18 which would have constituted net earnings from self-em-  
19 ployment for purposes of chapter 2 of such Code (notwith-  
20 standing paragraphs (4) and (5) of section 1402(c)) ex-  
21 cept for the exemption under section 1402(e)(1) of such  
22 Code.

23 (b) EFFECTIVE DATE.—Subsection (a) shall apply  
24 with respect to service performed (to the extent specified  
25 in such subsection) in taxable years beginning after De-

1 cember 31, 2028, and with respect to monthly insurance  
2 benefits payable under title II of the Social Security Act  
3 on the basis of the wages and self-employment income of  
4 any individual for months in or after the calendar year  
5 in which such individual's application for revocation (as  
6 described in such subsection) is effective (and lump-sum  
7 death payments payable under such title on the basis of  
8 such wages and self-employment income in the case of  
9 deaths occurring in or after such calendar year).

10 **SEC. 3. REPORT TO CONGRESS.**

11 Not later than 90 days after the date of enactment  
12 of this Act, the Commissioner of Internal Revenue, in con-  
13 sultation with the Commissioner of Social Security, shall  
14 develop and submit to the Committee on Ways and Means  
15 of the House of Representatives and the Committee on  
16 Finance of the Senate a plan to inform duly ordained,  
17 commissioned, or licensed ministers of a church, members  
18 of a religious order, and Christian Science practitioners  
19 of their eligibility to revoke any prior election of exemption  
20 from Social Security participation.

