

A Senate Joint Resolution concerning

**Medicare Catastrophic Expansion Act of 1988**

FOR the purpose of requesting the United States Congress to review and to reevaluate the benefits and detriments resulting from passage of the Medicare Catastrophic Expansion Act of 1988 and to revise or revoke its provisions to relieve the elderly from provisions of this tax burden.

WHEREAS, The 100th Congress of the United States has enacted the Medicare Catastrophic Act of 1988, which provides covered individuals with additional health care; and

WHEREAS, In addition to a \$4.00 monthly premium increase to be paid by each covered individual, the Act has an unusual and unique procedure for revenue enhancement designated as a "supplemental premium"; and

WHEREAS, This "supplemental premium" is in effect a surtax, which is based upon and is added to the initial tax obligation of persons receiving Medicare benefits or eligible for Medicare benefits; and

WHEREAS, Those who must pay the surtax will have to pay the highest rate of personal income tax, rising from 15% in 1989 to 28% in 1993 with a maximum upper limit of an additional \$2,100 per couple; and

WHEREAS, The surtax is directed primarily at those persons who are at or above retirement age (veterans, pensioners, and retirees) whether or not they are actually covered by Medicare or are receiving Medicare benefits; and

WHEREAS, This surtax does not affect corporate taxpayers or other individuals who may benefit from Medicare in later years; and

WHEREAS, Because persons with higher incomes are taxed in a proportionately smaller amount of their total incomes, the ceiling placed on the yearly surtax also hurts persons in the low to middle income groups of the elderly; and

WHEREAS, At a convention in Annapolis on January 17, 1989, The United Seniors of Maryland, a conglomerate of major senior organizations in Maryland, unanimously opposed the imposition of this surtax; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General Assembly strongly requests the United States Congress to review and reevaluate the benefits and detriments resulting from passage of the Medicare Catastrophic Expansion Act of 1988; and be it further

RESOLVED, That the General Assembly requests the United States Congress to revoke or revise provisions of the Act to relieve the elderly from provisions of this tax burden; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of