

**INTERNAL REVENUE SERVICE**

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The Honorable Arlen Specter  
United States Senator  
Suite 2031, Federal building  
1000 Liberty Avenue  
Pittsburgh, PA 15222

Attention: Mr. Brian Aiello

Dear Senator Specter:

This letter is in response to your inquiry (copy enclosed) dated June 14, 2001, to Mr. Edmund Di Giorgio, Director of the Social Security Administration (SSA) on behalf of your constituent, [REDACTED]. The SSA forwarded your inquiry to us for response.

[REDACTED] said that she heard of a television news report concerning a new tax law about social security benefits for women. She wonders whether the law will affect her. She also specifically asks whether the new law will reverse "offsets for Federal workers."

Neither we nor the SSA are exactly sure what new law [REDACTED] is referring to. However, the Congress recently enacted the Economic Growth and Tax Relief Reconciliation Act of 2001 (the "Act"). One of the subtitle headings in this Act is "Enhancing Fairness for Women." [REDACTED] may be referring to this tax law.

The Congress intended one tax law provision under this subtitle to aid women nearing retirement age who may be behind in saving for their retirement because of interruptions in their careers. The Act increases the annual dollar limits on elective deferrals employees can make under certain pension plans for participants who reached age 50 before the close of the plan year. However, this law does not affect current Federal retirees nor involve any offsets for Federal workers that [REDACTED] mentions in her letter.

We think that SSA Publication No. 05-10007 which explains how government pension offsets affect a spouse's or widow(er)'s benefits may help [REDACTED]. We have enclosed a copy of this publication.

I hope this information is helpful. Please call me at (202) 622-6010 or Elliot M. Rogers, Identification Number 50-11827, at (202) 622-6040, if you have any questions.

Sincerely,

MARY OPPENHEIMER  
Assistant Chief Counsel  
(Exempt Organizations/Employment  
Tax/Government Entities)  
Office of the Division Counsel/  
Associate Chief Counsel  
(Tax Exempt and Government Entities)

Enclosures (2)