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U.S. BILLIONAIRES WEALTH SURGED BY 70%, OR \$2.1 TRILLION, DURING PANDEMIC; THEY ARE NOW WORTH A COMBINED \$5 TRILLION

Sen. Wyden's Billionaires Income Tax Tapping Those Huge Returns Could Raise Big Revenue to Fund President Biden's Build Back Better Investment Plan

WASHINGTON — America's billionaires have grown \$2.1 trillion richer during the pandemic, their collective fortune skyrocketing by 70%—from just short of \$3 trillion at the start of the COVID crisis on March 18, 2020, to over \$5 trillion on October 15 of this year, according to Forbes data analyzed by Americans for Tax Fairness (ATF) and the Institute for Policy Studies Program on Inequality (IPS). [A table of the top 15 billionaires is below and the [full data set is here](#).]

Not only did the wealth of U.S. billionaires grow, but so did their numbers: in March of last year, there were 614 with 10-figure bank accounts; this October, there are 745.

The \$5 trillion in wealth now held by 745 billionaires is two-thirds more than the [\\$3 trillion in wealth](#) held by the bottom 50% of U.S. households estimated by the Federal Reserve Board.

The great good fortune of these billionaires over the past 19 months is all the more stark when contrasted with the devastating impact of coronavirus on working people. Almost 89 million Americans [have lost jobs](#), over 44.9 million [have been sickened](#) by the virus, and over 724,000 have died from it.

To put this extraordinary wealth growth in perspective, the \$2.1 trillion gain over 19 months by U.S. billionaires is equal to:

- 60% of the [\\$3.5 trillion ten-year cost](#) of President Biden's Build Back Better plan.
- The entire \$2.1 trillion in new revenues over ten years approved by the House Ways and Means Committee to help pay for President Biden's Build Back Better (BBB) investment plan.

Sixty-seven national organizations have [sent a letter to Congress](#) expressing concern that neither the Ways and Means committee plan nor President Biden's plan will adequately tax billionaires. They recommend Billionaires Income Tax (BIT) legislation [under development by Sen. Ron Wyden](#), chairman of the Finance Committee, be included in final BBB legislation. It is also [supported by President Biden](#).

Most of these huge billionaires' gains will go untaxed under current rules and will disappear entirely for tax purposes when they're passed onto the next generation. Under [Wyden's BIT](#), billionaires will start paying taxes on their increased wealth each year just like workers pay taxes on their paychecks each year.

The tax will apply only to taxpayers whose wealth exceeds \$1 billion: about 700 households. It will be assessed annually on tradable assets, such as stocks, where the value of the asset is known at the beginning and end of the year. For non-tradable assets, such as ownership in a business or real estate holdings, taxes will be deferred until the asset is sold.

Public support for the BIT is very strong. When proposed as a way to pay for President Biden's \$3.5 trillion investment package it increases support 20 to 40 points among voters in battleground districts and states.

"This growth of billionaire wealth is unfathomable, immoral, and indefensible in good times let alone during a pandemic when so many have struggled with unemployment, illness and death," said **Frank Clemente, executive director of Americans for Tax Fairness.** "For practical and moral reasons, Congress must start effectively taxing the outsized gains of billionaires. Many of the proposals under discussion to tax the rich would exempt billionaires because of the way they make their money. The Billionaires Income Tax, on the other hand, squarely focuses on the main source of billionaire income: the growth in their investments."

"Billionaires are undertaxed and playing hide-and-seek with their substantial wealth," said **Chuck Collins, of the Institute for Policy Studies**, author of [The Wealth Hoarders](#). "Targeted tax increases on billionaires, including the proposed Billionaire Income Tax, would rebalance the tax code and reduce these glaring abuses in who pays for the services we all depend on."

First Name	Net Worth Mar. 18, 2020 (\$ Billions)	Net Worth Oct. 15, 2021 (\$ Billions)	19 Month Wealth Growth (\$ Billions)	19 Month % Wealth Growth	Source
Elon Musk	\$24.6	\$209.4	\$184.8	751.0%	Tesla, SpaceX
Jeff Bezos	\$113.0	\$192.2	\$79.2	70.1%	Amazon
Bill Gates	\$98.0	\$132.4	\$34.4	35.1%	Microsoft
Larry Ellison	\$59.0	\$124.5	\$65.5	111.1%	software
Larry Page	\$50.9	\$120.7	\$69.8	137.2%	Google
Mark Zuckerberg	\$54.7	\$117.6	\$62.9	114.9%	Facebook
Sergey Brin	\$49.1	\$116.3	\$67.2	136.9%	Google
Warren Buffett	\$67.5	\$102.2	\$34.7	51.4%	Berkshire Hathaway
Steve Ballmer	\$52.7	\$96.9	\$44.2	83.9%	Microsoft
Jim Walton	\$54.6	\$65.4	\$10.8	19.8%	Walmart
Alice Walton	\$54.4	\$64.5	\$10.1	18.5%	Walmart
Rob Walton	\$54.1	\$64.2	\$10.1	18.6%	Walmart
Michael Bloomberg	\$48.0	\$59.0	\$11.0	22.9%	Bloomberg LP
Phil Knight	\$29.5	\$57.9	\$28.4	96.4%	Nike
MacKenzie Scott	\$36.0	\$55.5	\$19.5	54.1%	Amazon
SUBTOTAL	\$846.1	\$1,578.7	\$732.6	86.6%	
ALL OTHERS	\$2,101.4	\$3,440.7	\$1,339.3	63.7%	
U.S. TOTAL	\$2,947.5	\$5,019.4	\$2,071.9	70.3%	

Sources: March 18, 2020 data: Forbes, "[Forbes Publishes 34th Annual List Of Global Billionaires](#)" March 18, 2020
October 15, 2021 data: Forbes, "[The World's Real-Time Billionaires, Today's Winners and Losers](#)," accessed October 15, 2021

Among the individual stories behind the big numbers:

- Elon Musk of Tesla and SpaceX fame is not only beating Jeff Bezos in space, he has rocketed past him in the billionaires club. Nineteen months ago, Bezos was nearly five times richer than Musk. Now, after a meteoric eight-fold increase in his wealth, Musk is worth \$209 billion and Bezos \$192 billion. Bezos's wealth still grew by a very large 70% over the period.
- Google founders Sergei Brin and Larry Page are now worth \$237 billion combined, a 137% increase from their combined wealth of \$100 billion at the beginning of the pandemic.
- Nike head Phil Knight has nearly doubled his fortune from \$29.5 billion to almost \$58 billion. Maybe that's in part because Nike [didn't pay a dime](#) of federal income taxes in 2020 on its \$2.9 billion in profits; and between 2018 and 2020 the corporation [paid just a 3.3% tax rate](#) on \$9 billion in profits.
- MacKenzie Scott, former wife of Amazon founder Jeff Bezos, saw her wealth increase \$19.5 billion, or 54%, since the pandemic began even after [giving away \\$8.6 billion](#) of her wealth to charity.

BILLIONAIRES UNDERTAXED

America's billionaire bonanza demonstrates the structural flaws in our current economic and tax systems President Biden and Democrats in Congress are trying to remedy by advancing a \$3.5 trillion package of investments in working families and communities, paid for with fairer taxes on the rich and corporations.

On average, billionaires pay an effective [federal income tax rate of about 8%](#) when the increased value of their stock is counted, according to the White House. This is a lower rate than many middle-income taxpayers pay like teachers, nurses and firefighters.

Billionaires pay such low tax rates because:

- Most of their income comes from the increased value of their investments such as stocks, a business or real estate, rather than a paycheck like most people, and they don't have to pay taxes on that increased wealth unless they sell the assets. But the ultra-rich don't need to sell assets. Instead, because of the size of their fortunes, they can borrow money at low rates from banks and live lavishly tax free.
- When they sell their assets they pay a top capital gains tax rate of 20% (plus a 3.8% net investment income tax, NIIT) far below the current 37% (40.8%) top rate they would pay on an equivalent salary. This is why many ultra-rich pay a lower tax rate than people in the middle class.

According to [ProPublica's analysis](#) of IRS data:

- Billionaires have paid no federal income taxes in some recent years, including Jeff Bezos, Elon Musk, Michael Bloomberg and George Soros.
- The country's 25 top billionaires paid a tax rate of just 3.4% on a \$400 billion increase in their collective fortune between 2014-18.

[Poll after poll](#) shows that Americans of all political persuasions and by large majorities believe that the wealthy and big corporations need to start paying their fair share of taxes. A June poll by ALG Research and Hart Research shows [62% of voters support Biden's proposed \\$4 trillion](#) (at the time) investments in healthcare, childcare, education, clean energy and more—paid for by higher taxes on the rich and corporations.

March 18, 2020 is used as the unofficial beginning of the coronavirus crisis because by then most [federal](#) and [state](#) economic restrictions responding to the virus were in place. March 18 was also the date that Forbes picked to measure billionaire wealth for the 2020 edition of its annual billionaires' report, which provided a baseline that ATF and HCAN compare periodically with real-time data from the Forbes website. [PolitiFact has favorably reviewed](#) this methodology.