



FOR IMMEDIATE RELEASE: October 21, 2021

100+ NATIONAL GROUPS URGE CONGRESS TO ADOPT BILLIONAIRES INCOME TAX TO HELP FUND BUILD BACK BETTER PLAN

Annual Levy on Market Gains of 750 U.S. Billionaires Could Raise Hundreds of Billions; Without It, Many Tycoons Would Continue to Avoid Paying Taxes

WASHINGTON – At least 103 national organizations collectively representing millions of Americans [sent a letter to Congress](#) today urging it to include the [Billionaires Income Tax](#) (BIT) among the funding sources for the Democrats’ Build Back Better (BBB) plan of social and environmental investments. Senate Finance Committee chairman Ron Wyden (D-OR) is the sponsor. While the revenue raisers that have been proposed to pay for the BBB plan include fairer taxes on the rich and corporations, the groups emphasized that if the BIT is not included among those tax reforms, the nation’s very wealthiest individuals could still avoid paying little if any new taxes.

The BIT would annually tax the biggest source of billionaires’ income, which currently goes largely untaxed: the growth in the value of their investments. None of the other reforms currently in the plan—which include higher top tax rates on wages and capital-gains income—would necessarily result in higher taxes on billionaires. That’s because they would only owe more if they sold an investment that had appreciated in value, but they can avoid that necessity simply by borrowing at cheap rates against their rising wealth to fund their lavish lifestyles.

As the letter notes: “The ability of billionaires to avoid paying their fair share of taxes is well documented and scandalous.... Jeff Bezos paid zero [federal income tax] in 2007 and 2011, Elon Musk paid zero in 2018, and Michael Bloomberg paid zero several times in ‘recent years’. On average, the wealthiest 400 families in the country paid an effective [federal income tax rate of just over 8%](#) ... when the increased value of their stock is counted, according to White House economists. [ProPublica similarly found](#) that the richest 25 billionaires paid an effective tax rate of just 3.4% on a \$400 billion increase in their collective fortune between 2014-18. It is unconscionable that billionaires can pay lower tax rates than middle-class workers like teachers, nurses, and firefighters.”

The letter stresses that: “Billionaires should start paying their fair share to help fund the BBB plan’s investments, which include making health care and housing more affordable; increasing investment in public education, child care, and home- and community-based supports for older adults and people with disabilities; providing a national, comprehensive paid family and medical leave program; extending the Child Tax Credit expansions that will reduce child poverty by over 40%; and investing in clean energy innovation and jobs. These long-overdue investments will create good-paying jobs, rebuild communities and expand opportunities for working families. The BBB plan will stimulate long-term economic growth and reduce economic inequality. Importantly, the plan will [achieve greater racial equity](#).”

Other resources supporting the Billionaires Income Tax include:

- [“U.S. Billionaires’ Wealth Surged by 70%, or \\$2.1 Trillion, During the Pandemic,”](#) the latest report from ATF and the Institute for Policy Studies on the phenomenal wealth growth of billionaires, as tens of millions of Americans struggled to get by during the last 19 months.
- A [website](#) to highlight the latest developments in the campaign to enact the BIT.
- A [polling report](#) showing overwhelming public support for taxing billionaires as proposed in the BIT, including in 37 House battleground districts and in Arizona and West Virginia. Support by 20 to 40 percentage points when the BIT was proposed as a way to pay for the \$3.5 trillion BBB plan.