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101 NATIONAL ORGANIZATIONS URGE SENATE TO ADOPT TAX REFORMS IN BUILD BACK BETTER—AND MORE

*Groups Representing Workers, Families, Faith, Small Business, Communities of Color
Endorse House-Backed Tax Hikes on Rich & Corporations While Proposing Others*

WASHINGTON, D.C. — Showing public demand for fairer taxes on the wealthy and corporations included in the Build Back Better Act (BBAA) that passed the House of Representatives in November is as strong as ever, 101 national organizations collectively representing tens of millions of Americans today released a letter urging the Senate to adopt the BBBA tax reforms and to add several others. The groups stressed that as vital as the tax hikes on the wealthy and corporations were to funding the plan’s investments in the environment, healthcare, education, housing and more, “equally important” was that the reforms would make the tax system fairer. [Read the letter here.](#)

Existing BBB tax reforms the groups support (and the revenue raised by each) include a 15% minimum tax on profits reported to investors by very large corporations (\$319 billion); curbs on tax breaks that encourage corporations to ship jobs and profits offshore (\$307 billion); a 1% tax on stock buybacks (\$124 billion); a 5% surtax on individual incomes over \$10 million and 8% on incomes over \$25 million (\$228 billion); closing loopholes that let rich business owners escape paying Medicare taxes and claim excess business losses (\$412 billion); and increased IRS funding to catch rich tax cheats (\$400 billion).

The groups proposed that additional reforms be included in the BBBA measure awaiting Senate action: the Billionaires Income Tax, closing the carried interest loophole, and closing estate and gift tax loopholes that make the federal estate tax voluntary, even for billionaires. The letter noted that these reforms “will also blunt criticism that the legislation does not adequately tax the wealthy, especially billionaires whose wealth has surged by 70%, or \$2.1 trillion, during the pandemic.”

The letter notes the bill’s Corporate Profits Minimum Tax would “end the scandal of huge, profitable corporations paying zero income taxes by applying a 15% tax on the profits they report to investors.” The organizations urged senators to resist corporate efforts already underway to kill or weaken the tax.

The leading reform that the groups propose adding to the BBB package is the Billionaires Income Tax (BIT), authored by Senate Finance Committee chairman Ron Wyden, which would raise \$550 billion. The letter notes that 250 millionaires and 219 law professors and economists have endorsed the BIT, which would end the ability of the nation’s richest 700 or so individuals to go income-tax-free year after year.

The groups express outrage that the current BBB legislation does not close the carried interest loophole, an egregious tax giveaway to wealthy money managers that's been denounced by politicians ranging from Barack Obama to Donald Trump. They also bemoan the failure to close some estate-tax loopholes that were included in an earlier version of the House legislation but dropped from the final bill, which would have raised \$28 billion over the first 10 years but far more in later years.

Passages from the letter include:

“At a minimum you should adopt the tax package in the BBBA, which repudiates the bankrupt ‘trickle-down’ economics of tax cuts for the rich and corporations that has dominated national politics since the Reagan years. The bill will raise about \$1.9 trillion in new tax revenue from the wealthy and corporations, about the same amount that the 2017 Trump-GOP tax giveaway cost.” ...

“In addition to raising needed revenue and making the tax code fairer, these reforms will also reduce the significant role our unfair tax system plays in exacerbating racial inequities. Race should not be a contributing factor on how the tax code impacts families; however, many of its provisions tend to boost the economic fortunes of white families to the disadvantage of families of color. The BBBA’s tax reforms will begin to reverse those pernicious effects, and the additional reforms proposed in this letter will do even more.”