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BIDEN BUDGET MAKES HISTORY WITH BILLIONAIRES INCOME TAX

*Yearly Tax on Investment Gains of Ultrarich, Now Largely Untaxed,
Will Raise \$360 Billion*

WASHINGTON, D.C. – Sticking to his winning 2020 campaign pledge to more fairly tax the rich and corporations, President Biden plans to use a billionaires income tax to help fund his proposed federal budget for next year, according to a [fact sheet](#) released on Saturday and numerous [media stories](#). The new levy would largely end the scandal of billionaires going tax-free for years on end and raise \$360 billion over 10 years from those with wealth of at least \$100 million—the richest 0.01% of taxpayers, or about [20,000 families](#).

Biden’s Billionaires Minimum Income Tax would treat annual gains in stocks and other assets as income subject to federal income taxes, just like workers pay taxes on their paychecks each year. Currently, such gains are only taxed if the underlying assets are sold by the original owner. The gains disappear entirely for tax purposes when wealth is inherited. This would be a major improvement to our tax system, which currently allows the wealthy to accumulate huge amounts of assets—their wealth—tax free while average Americans pay the taxes they owe year after year.

Billionaires are more than capable of paying the tax. During the first two years of the pandemic, their total [net worth shot up by \\$1.7 trillion, or 57%](#)—to \$4.6 trillion, according to Forbes data analyzed by Americans for Tax Fairness. Much of that gain will never be taxed because billionaires don’t need to sell their assets—“realize their gains”—living instead on cheap loans borrowed against their rising fortunes.

“In a tax system full of special favors for the wealthy, none is more outrageous than the ability of billionaires with skyrocketing fortunes to go tax free year after year or pay much less than they should owe,” said **Frank Clemente, executive director of Americans for Tax Fairness**. “President Biden’s Billionaires Income Tax takes a historic step to bringing us closer to a single system in which the ultrawealthy start paying taxes each year on their wealth gains the way workers pay taxes on their paychecks.”

A similar tax, the Billionaires Income Tax, [was proposed last year](#) by Sen. Ron Wyden (D-OR), chairman of the Senate’s tax-writing committee. His version would raise nearly \$557 billion from the country’s roughly 700 billionaires. **ATF has prepared a [fact sheet](#) comparing the Biden and Wyden proposals along with talking points on a billionaires income tax. A more detailed [draft side-by-side analysis](#) of the two plans is here.** ATF maintains many other resources about Wyden’s tax and the need for a Billionaires Income Tax [here](#).

A Billionaires Income Tax has been endorsed by [105 national organizations](#), [219 economists and law professors](#), and more than [250 millionaires](#).