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300+ RICH AMERICANS URGE DEMOCRATS TO INCLUDE HOUSE-PASSED MILLIONAIRES SURCHARGE IN NEW ECONOMIC PLAN

*Disney Heir, Former BlackRock Director, Seventh Generation Founder
Send Letter to U.S. Senate from 304 Wealthy Taxpayers
Supporting Extra Levy on Incomes Over \$10 Million*

WASHINGTON, D.C. — Three rich Americans – Abigail Disney, Morris Pearl and Jeffrey Hollender – today [released a letter to Senate Democrats](#) from 304 wealthy taxpayers urging the senators to include in their new tax-and-investment package a Millionaires Surcharge [already approved by the U.S. House](#). The extra levy of 5% on income over \$10 million, and 3% more on income over \$25 million, would only be paid by the highest-income 0.02% of taxpayers while raising \$230 billion over 10 years.

The Millionaires Surcharge is the simplest and most direct tax on the rich included in the Build Back Better Act (BBBA) passed by the House last year, which Senate Democratic negotiators are using as the basis for a revised plan they hope to unveil this month. There have been conflicting [reports in the media](#) and from lobbying about whether the Surcharge is in or out of the developing deal, or whether it has been significantly weakened with loopholes. In response, the letter states in part:

“Among the BBBA tax reforms affecting the wealthy and corporations that might now be included in the new Senate economic package, the millionaires surcharge is the most direct, simple-to-explain, and easy-to-measure. It is also the only tax increase specifically designed to tax the very wealthy. It would be very unfortunate and a missed opportunity if Congress were to pass such important legislation and not specifically increase tax rates on billionaires and the ultrarich.”

The three spokespeople for America’s rich praised the progress made on the new economic plan, particularly the [closing of a loophole](#) that has allowed wealthy business owners to dodge a tax supporting healthcare. Applying the 3.8% Net Investment Income Tax (NIIT) to all so-called “pass-through” business owners making over \$400,000 will raise around \$200 billion, which will be used to extend the solvency of Medicare by three years.

But this loophole closure was included in the House-passed bill in addition to the Millionaires Surcharge; one is not a substitute for the other, as some have suggested. While revenue raised from closing NIIT’s pass-through business loophole will be used to strengthen Medicare, the

Surcharge can be used to lower costs working families pay for vital services like healthcare, childcare, education and housing.

The letter answers the question of why rich people would back a levy they might have to pay. “No one likes paying more taxes, including us. But what we like even less is a tax system that underfunds our national priorities, contributes to destabilizing income and wealth gaps, and undermines the faith of the American people in their own government... Paying more taxes would not affect our lifestyles, and we have the ability to pay more than we currently do. The additional revenue raised by a surcharge on wealthy households like ours would be a major boon to working families, the broader economy and our democracy.”

“Passing a new tax-reform-and-investment package without the Millionaires Surcharge would be a serious omission,” said **Abigail E. Disney, an award-winning filmmaker whose great uncle was Walt Disney**. “The Surcharge is the only tax reform in the House-passed version of the plan that directly targets wealthy people like me. Without it, the Democrats’ economic plan would substantially fail to deliver on its promise of raising taxes on the rich.”

“The Surcharge is well-crafted in that it applies to all income—unlike a lot of tax-rate hikes that exclude most of the ways that the already rich become even richer,” explained **Morris Pearl, chair of Patriotic Millionaires and one-time managing director at BlackRock**, one of the world’s biggest investment firms. “A lot of my former colleagues and clients on Wall Street would have to pay a little more under this tax, and that’s a good thing.”

“Americans of all political stripes want the rich to [pay a fairer share of taxes](#),” noted **Jeffrey Hollender, founder and former CEO of the Seventh Generation company**, maker of eco-friendly household products. “The Millionaires Surcharge achieves that goal in a direct and transparent way while raising nearly \$230 billion in desperately needed revenue. It must be included in the final economic package due to be released by Senate Democrats this summer.”

The wealthy signatories also warned Senate negotiators against watering down the Surcharge: “We understand that there may be a push from some senators to exclude at least one type of income from the high-income surcharge: profits from pass-through businesses. There are also rumors that so-called “carried interest”, and all capital gains income, might also be exempted from the tax. There is no reason that these types of income—which already benefit from a much lower tax rate than income from wages—should be treated more favorably than they are already by excluding them from the surcharge. It defeats the whole purpose of the surcharge and will greatly reduce the revenue raised.”

Some commentators have mistaken Sen. Joe Manchin’s desire to limit the expenditures in the new plan to roughly \$1 trillion for a wish to limit the revenue raised. But Senator Manchin is concerned about the deficit and the spur he thinks it is to inflation; and [supports raising taxes on the rich and corporations](#). Therefore, he would presumably welcome all such tax reforms on the wealthy like the Millionaires Surcharge that provide surplus revenue for paying down debt.

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