

82 NATIONAL ORGANIZATIONS SUPPORT PRESIDENT BIDEN'S BOLD & EQUITABLE BUILD BACK BETTER AGENDA

March 30, 2021

The Honorable Joseph R. Biden
The Honorable Kamala Harris
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Biden and Vice President Harris:

We write to congratulate you on enactment of the American Rescue Plan (ARP) that will extend and expand vital health and economic support to millions of American families, communities and small businesses suffering through the year-long pandemic crisis. Just as we were united behind your bold ARP initiative, we will also stand united behind a sweeping Build Back Better agenda of robust public investments and a requirement that the wealthy and corporations begin paying their fair share of taxes.

The agenda that you outlined during your campaign is central to long-term efforts to create a more just economy that works for all Americans, creates millions of good-paying jobs, rebuilds communities, advances racial and gender equity, mitigates climate change and creates a green energy economy, and provides hope and opportunity to millions of working families struggling to get by and wanting to get ahead.

Your tax and investment plans were the boldest of any major party presidential nominee in modern American history. They received widespread media coverage and, perhaps more significant, your boldly progressive tax plan was heavily attacked by your political opponents, who [spent untold millions of dollars](#) and [claimed falsely](#) that the middle-class would pay more. Yet, you won the most votes ever of any U.S. presidential candidate, with a central promise of your campaign to make the rich and corporations pay their fair share of taxes. You have a clear mandate to pursue your agenda.

The best way to start making the rich and corporations pay their fair share, as you have said, is by reversing some of the worst aspects of 2017's Trump-GOP tax law, the so-called Tax Cuts and Jobs Act (TCJA). During the campaign, your [proposed corrections](#) to the TCJA included:

- Returning the top marginal tax rate on the highest incomes to 39.6%, from 37% today.
- Lifting the corporate tax rate on domestic profits to 28% from the current 21%, thereby restoring half the cut made to the corporate rate by the TCJA.
- Addressing the perverse outsourcing incentives embedded in TCJA's international tax provisions by imposing a true 21% minimum tax on offshore earnings that applies to all profits and on a country-by-country basis. (It is preferable to have domestic and offshore tax rates equalized to help stop outsourcing and profit shifting.)

- Phasing out for business owners making over \$400,000 the 20% pass-through income deduction—a break that mostly benefits the richest owners.
- Restoring the estate tax to its 2009 levels, which would still mean only the [richest 0.59% of estates](#) would pay the tax.

The tax plan from your campaign proposed additional reforms to better ensure the wealthy and corporations pay something closer to their fair share of taxes:

- For those making over \$1 million a year, ending the current almost 50% tax discount on investment income from long-term capital gains and dividends, so that such income from wealth is taxed at the same rate as income from work. Crucially, your plan also closed the “stepped up basis” loophole so that decades of investment gains on inherited property no longer go untaxed when those assets pass onto heirs.
- Significantly investing in IRS enforcement of high-income taxpayers and corporations as a means of paying for ambitious investments in childcare and the care economy.
- Capping the value of itemized deductions at 28% for the wealthiest taxpayers, so they no longer get a bigger tax benefit than a middle-income taxpayer from the same dollar-amount deduction.
- Ensuring that large corporations pay at least a 15% minimum tax on the profits they report to shareholders.
- Imposing a “financial risk fee” on large Wall Street banks.
- Ending tax breaks for the real estate industry, the fossil fuel industry, and for pharmaceutical drug advertising.

There are many other sensible tax reform proposals that meet your criteria, which the Americans for Tax Fairness coalition [submitted to your administration](#) earlier this year. They include a 10-percentage point “Millionaires” surtax on all income above \$2 million; ending the ability of wealthy business owners to avoid self-employment and investments taxes, which fund healthcare programs; a tiny financial transaction tax on stock and bond trades; and a wealth tax on ultra-millionaires.

[Public opinion polls](#) show raising taxes on the wealthy and corporations is very popular even among rank-and-file Republicans. In a survey last November, [two-thirds of respondents](#)—including 45% of Republican voters—supported higher taxes on people making over \$400,000. An October survey found that [71% supported raising the corporate income tax rate](#), including 51% of Republicans.

In [a recent memo](#), the public-opinion research firm ALG Research declared “few issues generated broader, more intense support than raising taxes on those earning over \$400,000 a year and closing tax loopholes for big corporations.” In fact, proposals to raise taxes on the wealthy were the most popular of *all* of the more than 30 economic proposals the firm tested. ALG noted that since our opponents will always accuse us of being “tax-and-spend liberals” regardless of how moderate a fiscal stance we present, the best defense is to push as you did for tax fairness and public investment of the kind the public overwhelmingly supports.

You put these issues on the ballot last November, and they won. Now is the time to seize the initiative, rally your wide support among the American people, stare down the defenders of the supply-side, trickle-down status quo, and push through the bold Build Back Better investment and tax reform program that you sought the nation's highest office to deliver. This is critical to supporting working families, rebuilding our communities, reducing child poverty, reversing the racial and gender wealth gaps, and creating an economy that truly works for all of us.

Sincerely,
List in formation

AFL-CIO
Alliance for a Just Society
Alliance for Retired Americans
Americans for Democratic Action (ADA)
American Family Voices
American Federation of Government Employees
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers
Americans for Financial Reform
Americans for Tax Fairness
An Economy of Our Own
Asian Pacific American Labor Alliance, AFL-CIO
Campaign for America's Future
Center for American Progress
Center for Law and Social Policy (CLASP)
Center for LGBTQ Economic Advancement & Research (CLEAR)
Center for Popular Democracy
Children's Defense Fund
Closing the Women's Wealth Gap
Coalition on Human Needs
Communications Workers of America (CWA)
Community Catalyst
Community Change Action
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces
Consumer Action
Democracy for America
Demos
Economic Policy Institute
Faith in Public Life
Family Values at Work
First Focus Campaign for Children
Franciscan Action Network
Friends Committee on National Legislation
Friends of the Earth U.S.
Good Jobs First
Greenpeace USA
Grey Nuns of the Sacred Heart

Groundwork Action
Health Care for America Now (HCAN)
ICNA Council for Social Justice
Indivisible
Institute for Policy Studies - Program on Inequality
Institute on Taxation and Economic Policy
International Federation of Professional and Technical Engineers (IFPTE)
Jobs With Justice
Main Street Alliance
MomsRising
MoveOn
National Advocacy Center of the Sisters of the Good Shepherd
National Association of Local Housing Finance Agencies
National Coalition for Asian Pacific American Community Development
National Coalition for the Homeless
National Education Association
National Employment Law Project
National Health Care for the Homeless Council
National LGBTQ Task Force Action Fund
National Organization for Women
National Women's Law Center
NETWORK Lobby for Catholic Social Justice
Our Revolution
Oxfam America
Pacific Community Ventures
Partnership for Working Families
Patriotic Millionaires
People's Action
Progressive Democrats of America
Public Citizen
RESULTS
RootsAction.org
ServeUSA
Sisters of Mercy of the Americas - Justice Team
Small Business Majority
Strong Economy For All Coalition
Take on Wall Street
Tax Justice Network - USA
Tax March
The International Union, United Automobile, Aerospace and Agricultural Implement Workers of
America (UAW)
United Church of Christ, Justice and Witness Ministries
United Food and Commercial Workers International Union (UFCW)
United Steelworkers (USW)
We All Rise
Women's International League for Peace and Freedom US