



VOTE YES ON H.R. 5376, THE BUILD BACK BETTER ACT

November 4, 2021

Dear Member of Congress:

Americans for Tax Fairness, a coalition of more than 400 national, state and local organizations united in support of a fair tax system that works for all Americans, strongly urges you to vote YES on President Biden's Build Back Better Act (H.R. 5376) when it comes to the House floor.

The BBBA will make historic investments in healthcare, childcare, education, fighting climate change and more, which will create millions of good-paying jobs. It will lower everyday costs for working families—those struggling to pay for healthcare, afford childcare so they can go to work, get a better education, and pay the rent or buy a house. Workers will be able to take time off to have a baby or care for a sick loved one because they will be able to maintain an income. A more generous Child Tax Credit will be paid to families each month to help make ends meet.

BBBA is fully paid for by requiring the wealthy and big corporations to start paying their fair share of taxes. It will not raise taxes on anyone making under \$400,000 a year.

While far from perfect, the tax package fully repudiates the bankrupt “trickle-down” economics of tax cuts for the rich and corporations and service cuts for everyone else that has dominated national politics since the Reagan years. Instead, key investments in working families and the environment are paid for with fairer taxes on the wealthy and corporations.

According to Joint Committee on Taxation (JCT) [estimates](#), the bill will raise more than \$1.4 trillion in new tax revenue by closing loopholes and ending special breaks for the nation's richest families and most profitable corporations. The White House estimates the bill will [raise an additional \\$400 billion](#) from increased enforcement activities at the IRS to catch wealthy and corporate tax cheats. Prescription drug reform will raise another \$250 billion for a total of \$2.1 trillion in revenue, more than covering the \$1.75 trillion investment ceiling demanded by Senate moderates. (See [ATF revenue table here](#)) Not a penny will be added to the national debt.

The BBA's tax reforms recover from the rich and corporations what they were gifted by the Trump-GOP tax giveaway four years ago. (The net revenue loss of the Trump-GOP tax bill—excluding higher interest costs on the national debt—was [\\$1.5 trillion](#), with most of the benefits going [to those at the top](#).) By shutting down accounting maneuvers and other tax-dodging schemes of the rich and corporations, these reforms begin to unify into a single tax code what's become a dual system of mandatory taxes for working people and voluntary payments by the rich.

The plan's tax reforms (and revenue estimates from the JCT) include:

- **A 15% minimum tax on large corporations:** To help end the scandal of [tax-free mega-corporations](#) paying no or little in income taxes (**Revenue Raised: \$319 billion**)
- **Taking away tax breaks that encourage corporations to outsource jobs and shift profits to tax havens:** By setting a minimum 15% tax rate on their profits booked offshore, including in tax havens. (**\$307 billion**)
- **Taxing firms that waste their money enriching shareholders with stock buybacks:** A 1% excise tax will be assessed on stock buybacks that swell the wealth of CEOs and rich shareholders rather than investing in the business or its workers (**\$124 billion**)
- **Better taxing millionaires and billionaires:** Many ultra-wealthy people [go years tax-free](#); the BBBA will assess a 5% surtax on incomes over \$10 million, and an extra 3% on incomes over \$25 million, affecting the richest one 1 out of every 5,000 taxpayers. (**\$228 billion**)
- **Closing two tax loopholes that let rich business owners escape paying Medicare taxes and claim unwarranted business losses:** There is no excuse for wealthy business owners to be exempt from paying taxes that workers must pay and to use business losses (that often exist only on paper) to cancel out otherwise taxable personal income. (**\$412 billion**)
- **Strengthening the IRS to catch rich and corporate tax cheats:** BBBA will provide the IRS with new resources to hire more and better-qualified staff and update antiquated technology. The top 1% [evade \\$160 billion in taxes](#) owed every year. (**\$400 billion, not a JCT estimate**)

The Build Back Better Act provides a historic opportunity to move toward an economy that works for all of us, not just the wealthy and corporations. It will make long-overdue investments that will create good-paying jobs, rebuild communities, give us a fighting chance against climate change, and expand opportunities for working families that will reduce inequality. Importantly, it will make a significant down payment to achieve greater racial equity.

The Build Back Better Act deserves your vote not because it fully reforms America's rigged tax system, but because it begins the job. It is a strong and steady step towards a tax code that demands the most from those with the most to give by more fairly taxing the rich and corporations. That start towards real tax fairness is an important policy goal in itself; when combined with the economic, social and environmental reforms those tax reforms will fund, the Build Back Better Act becomes one of the most consequential bills you will likely support in your career.

Sincerely,



Frank Clemente
Executive Director



Sarah Christopherson
Legislative & Policy Director