COMPARISON OF BIDEN'S & WYDEN'S BILLIONAIRES INCOME TAX PROPOSALS		
FEATURE	**PRESIDENT BIDEN**	**SENATOR WYDEN**
Proposal name	Billionaire Minimum Income Tax	Billionaires Income Tax
Revenue raised (10 Years)	$361 Billion	$557 Billion
Who pays the tax?	Richest 0.01% (around 20,000 households)	About 700 billionaires
Share of revenue from billionaires	50% or more	100%
What triggers the tax?	Household wealth over $100 million and the failure to pay an effective tax rate of at least 20% on all sources of income, including unrealized capital gains.	Some combination over three consecutive years: $1 billion in assets (filing joint or single) and/or $100 million a year in income.
Tax rate charged	Sufficient to raise the effective overall tax rate of covered households to 20%.	23.8% (20% top capital gains tax rate, plus 3.8% Net Investment Income Tax applied to the unearned income of wealthiest households)
Treatment of tradable assets such as corporate stocks	Growth in the value of tradable assets like stocks are assessed each year to determine if the taxpayer's overall effective tax rate is at least 20%. Tax would also apparently be due on the accumulated investment gains that predate enactment of the tax for years in which the taxpayers overall effective tax rate including those gains was less than 20%.	Growth in the value of tradable assets like stocks are taxed each year. Tax would also be due in the first year on the accumulated investment gains that predate enactment of the tax. Jeff Bezos, for instance, will owe taxes on the increase in the value of his Amazon stock from the time he acquired it at a tiny fraction of its current price.
Treatment of non-tradable assets such as ownership of a business	Gains on the non-tradable assets—such as ownership of a business or real estate—would be presumed based on an estimated rate of investment return applied to an initial valuation. These estimates could be challenged through appraisals.	Taxpayers can choose to pay taxes on the estimated gains in illiquid assets or defer paying until the assets are sold and a value determined. If payment is deferred, interest will be charged for the years taxes were avoided and the asset increased in value. Interest rate: average of yields on certain U.S. Treasury securities, plus 1 percentage point. Total tax on illiquid assets may not exceed 49%.
Special provisions for "illiquid" taxpayers	Covered taxpayers whose wealth consists of less than 20% tradable assets have the option of only paying annual taxes on their tradable assets, while deferring payment on non-tradable assets until they are sold. Interest will be charged for the years taxes were avoided, though this deferral charge cannot exceed 10% of the tax due.	Besides the deferral of tax payments on hard-to-price assets noted above, there is no special provision for illiquid taxpayers.

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Effect on asset owners' future taxation	Annual payments would be considered “prepayments” of taxes due under traditional capital gains rules that apply to the sale or other taxable disposal of an asset. Any tax due under the existing capital gains regime would be reduced by these prepayments, which if larger than the traditional tax due could result in a refund.	Taxed unrealized gains will be added to the cost basis of the assets. This increase in cost lowers the profit and therefore tax due on the asset when it is sold or is the object of another type of taxable transfer.
Installment payments	Taxpayers will have 9 years to pay any tax due on applicable gains that predate enactment of the tax. They will have 5 years to pay taxes on applicable gains assessed annually after enactment of the tax. Illiquid taxpayers can take longer to pay but will incur interest charges.	Taxpayers will have 5 years to pay any tax due on applicable gains that predate enactment of the tax. Tax will be due annually on applicable gains that occur after the enactment of the tax.
Treatment of gifts, bequests, and transfers in trust	Bequests would be treated as sales, with tax due on gains except for those left to a spouse. If prepayment of those gains exceeds the tax due, the excess will be refunded to the decedent's estate. No information on the treatment of gifts or transfers to trust.	Gifts, bequests and other non-sale transfers would be treated as sales, with tax due on any previously untaxed gains, except in the case of transfers to spouses and charities. Trusts (other than grantor trusts owned by the grantor) are liable to the tax if they have at least $10 million in income or $100 million in assets for three consecutive years.
Carryback of capital losses	NA	Can carry back losses to a year within the previous three in which there was a net gain in tradable assets, provided gains exceed total capital loss for a preceding year.
Source	**U.S. Treasury General Explanations of 2023 Revenue Proposals (p. 34)**	**Section by section analysis** **Revenue Estimate**