



## COMPARISON OF BIDEN'S & WYDEN'S BILLIONAIRES INCOME TAX PROPOSALS

FEATURE	PRESIDENT BIDEN	SENATOR WYDEN
<b>Proposal name</b>	Billionaire Minimum Income Tax	Billionaires Income Tax
<b>Who pays the tax?</b>	Only people worth at least \$100 million, which is the richest 0.01% (around 20,000 households)	About 700 billionaires
<b>How much money is raised (over 10 years)?</b>	\$361 Billion	\$557 Billion
<b>What share of the money comes from billionaires?</b>	Over half	100%
<b>What tax rate is charged?</b>	Enough to raise the overall tax rate of covered households to 20%	23.8%
<b>How does it treat tradable assets such as corporate stocks</b>	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%.	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.
<b>How does it treat hard-to-price assets like private businesses and fine art?</b>	Increases in the value of hard-to-price assets will be estimated each year. Taxpayers will be able to challenge those estimated values with appraisals.	Tax on hard-to-price assets won't be due until the asset is sold and any increase in value determined. But taxpayers will owe interest on any missed annual tax payments.
<b>What if someone's wealth is tied up—such as in a business—and they don't have the cash to pay the tax?</b>	If someone has less than a fifth (20%) of their wealth invested in assets that are easy to convert to cash—like stocks and bonds—they are allowed to pay annual taxes only on their tradable assets. Tax on hard-to-price assets won't be due until the asset is sold and any increase in value determined. But taxpayers will owe interest on any missed annual tax payments.	No special provisions for so-called "illiquid" taxpayers.
<b>Can the tax payments be made over time?</b>	Taxpayers will have 9 years to pay any tax due on gains they made before the new tax came into effect. Then they'll have 5 years to pay taxes on any future gains.	Taxpayers will have 5 years to pay any tax due on gains they made before the new tax came into effect. They'll have to pay taxes on any future gains every year.
<b>Source</b>	<a href="#">U.S. Treasury General Explanations of 2023 Revenue Proposals (p. 34)</a>	<a href="#">Section by section analysis Revenue Estimate</a>

A more detailed version of this side-by-side comparison is [available here](#).