



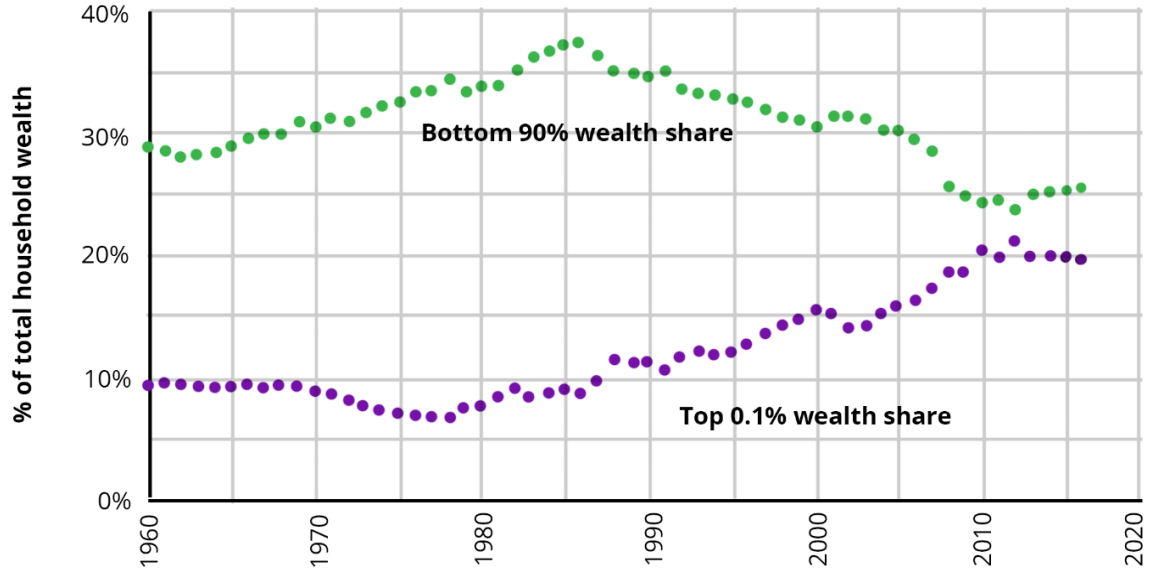
## KEY FACTS ABOUT INCOME, WEALTH & TAXES

*NOTE: There are many measures of American wealth and many ways of estimating those measures. This fact sheet uses the most current, accessible and reputable sources available for each data point, which in some cases leads to inconsistencies between studies, such as in the years covered. Also because of the multiplicity of wealth studies, figures here may differ slightly from those found in other reports using different, equally valid collections of sources. Despite such differences, the trend of increasing concentration of wealth among a tiny elite portrayed here and elsewhere is unmistakable.*

### WHO ARE THE RICHEST 0.1% IN AMERICA?

- **The richest 0.1% own more than the bottom 80% of American households.** [[Washington Post](#) from Zucman, World Inequality Database<sup>1</sup>]
- **The 400 richest Americans own more than the bottom 150 million Americans.** [[Washington Post](#)]<sup>2</sup> **The richest 400 have a combined wealth of \$3 trillion.** [[Forbes](#)]<sup>3</sup>
- **Just three men alone—Jeff Bezos, Warren Buffett and Bill Gates—have as much wealth as the whole bottom half of society.** [[PolitiFact](#)]<sup>4</sup>
- **The *wealth* of a household in the richest 0.1% is at least \$32 million in 2019.** [Saez and Zucman<sup>5</sup>]
- **The annual *income* of a taxpayer in the richest 0.1% is about \$2.4 million in 2019.** There are about 141,000 taxpayers in the top 0.1%. [Internal Revenue Service (IRS) data<sup>6</sup>]
- **The growth in Walton family wealth, the major shareholders behind Walmart, swelled by \$39 billion in the last year, topping out at \$191 billion in 2019.** Their fortune increased by \$70,000 per minute, \$4 million per hour, \$100 million per day. By comparison, a new Walmart associate makes about an \$11 hourly minimum wage. [[Bloomberg](#)]<sup>7</sup>
- **The total share of national wealth held by the richest 0.1% families increased from 9% in 1985 to nearly 20% in 2016.** That's nearly as big a slice of the pie as is claimed by the bottom 90%, which during the same period saw their share of wealth decline from 37% to about 25%. [**See chart below**, Saez and Zucman<sup>8</sup>]

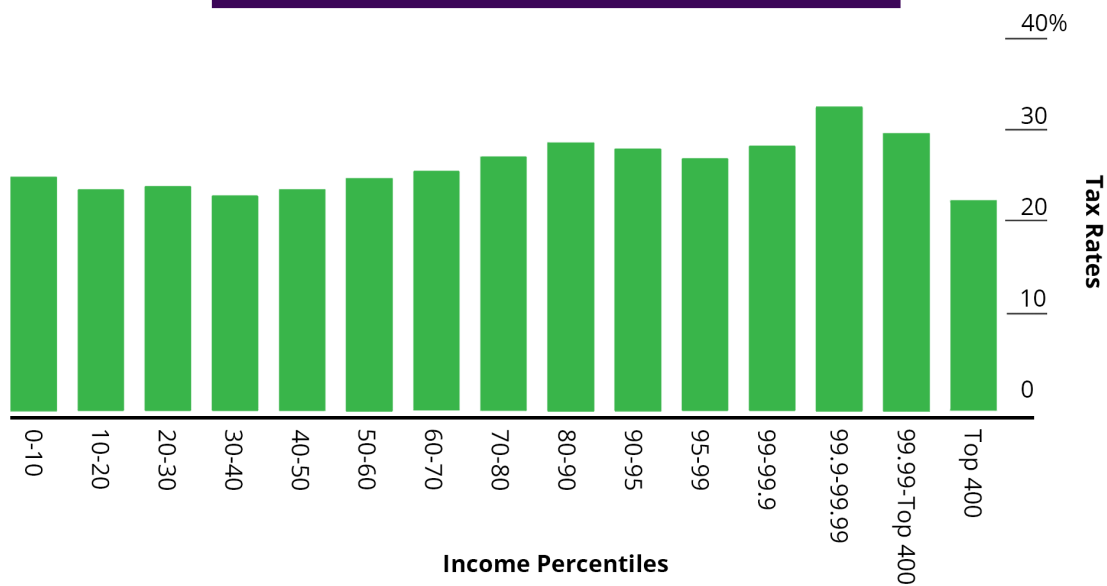
## WEALTH SHARES OF BOTTOM 90% AND TOP 0.1% FAMILIES



Source: Saez and Zucman, Wealth Tax Letter to Sen. Elizabeth Warren, Jan. 18, 2019, updated

- In 2018, the 400 wealthiest Americans paid a combined federal, corporate, state and local tax rate of 23%, on average, which is lower than any other tax bracket.** It is also a full percentage point lower than the 24.2% average tax rate paid by the bottom half of American households. [See chart below] There is some critique of the methodology used by Saez and Zucman, but the trend is clear—the extremely wealthy are paying a very low tax rate that compares with the rates paid by working families. [[New York Times](#),<sup>9</sup> [Washington Post](#),<sup>10</sup> [Tax Policy Center](#)<sup>11</sup>]

## AMERICA'S REGRESSIVE TAX SYSTEM (2018)



Source: Emmanuel Saez and Gabriel Zucman in the New York Times

- **The average CEO in the 350 largest U.S. firms made 312 times as much income in 2017 as the average worker.** In 1989, the ratio between average CEO and worker pay was 58 to 1; in 1965, it was only 20 to 1. In 2017 the average CEO received \$18.9 million in compensation, well above the income threshold needed to be part of the richest 0.1%. [[Economic Policy Institute \(EPI\)](#)<sup>12]</sup>

## WHO ARE THE RICHEST 1% IN AMERICA?

- **The richest 1% owns 39% of the nation's *wealth*—the bottom 90% owns just 23% of the wealth.** [[Center for American Progress, Figure 2](#)<sup>13]</sup>
- **The share of wealth held by the richest 1% *increased* from about 30% to around 40% between 1989 and 2016.** The *wealth* of the bottom 90% *decreased* from 33% to 23% during the same period. [[WCEG, Figure 2](#)<sup>14]</sup>
- **\$10 million was the minimum *wealth* of a household in the richest 1% in 2016.** [[Washington Center for Equitable Growth \(WCEG\), Table 1](#)<sup>15]</sup>
- **The richest 1% take in about a fifth (22%) of the nation's *income*** [Saez and Zucman<sup>16]</sup>
- **The average annual *income* of taxpayers in the richest 1% is about \$538,000 in 2019.** [IRS data<sup>17]</sup>
- **Between 1993 and 2017, the real income of the richest 1% grew by 95%, whereas the real income growth of the bottom 99% was just 16%.** The richest 1% captured over half (51%) of all income growth during that period. [[Saez, Table 1](#)<sup>18]</sup>

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<sup>1</sup> The Washington Post (WP), “Wealth concentration returning to ‘levels last seen during the Roaring Twenties,’ according to new research” (Feb. 8, 2019). The source is Gabriel Zucman, World Inequality Database. <https://www.washingtonpost.com/us-policy/2019/02/08/wealth-concentration-returning-levels-last-seen-during-roaring-twenties-according-new-research/>

<sup>2</sup> WP, “Wealth concentration returning to ‘levels last seen during the Roaring Twenties,’ according to new research” (Feb. 18, 2019). <https://www.washingtonpost.com/us-policy/2019/02/08/wealth-concentration-returning-levels-last-seen-during-roaring-twenties-according-new-research/>

<sup>3</sup> Forbes, “The Forbes 400: The Definitive Ranking Of The Wealthiest Americans” (Oct. 2, 2019). <https://www.forbes.com/forbes-400/#572341617e2f>

<sup>4</sup> PolitiFact, “Bernie Sanders on target saying 3 richest have as much wealth as bottom half of all Americans” (July 3, 2019). <https://www.politifact.com/truth-o-meter/statements/2019/jul/03/bernie-sanders/bernie-sanders-target-saying-3-richest-have-much-w/>

<sup>5</sup> Emmanuel Saez and Gabriel Zucman, University of California, Berkeley, “Dynamic Documentation for Senator Warren’s Wealth Tax Policy Analysis” (accessed Aug. 8, 2019). See 7 – Visualization. <http://wealthtaxsimulator.org/analysis/#7 - visualization> The graph’s X-axis shows \$32.68 million in wealth for a member of the richest 0.1%.

<sup>6</sup> Internal Revenue Service (IRS) Statistics of Income (SOI) Division data as of 2016, adjusted. (Oct. 2018). <https://www.irs.gov/pub/irs-soi/16in01etr.xls>. The AGI for the richest 0.1% was \$2,124,117 in 2016 (row 40). The authors assumed an increase of 3.5% a year over three years based on the 15-year average, resulting in a figure of about \$2.4 million in 2019. For number of taxpayers in 2016, see row 23.

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- <sup>7</sup> Bloomberg, “The World’s Wealthiest Family Gets \$4 Million Richer Every Hour” (Aug. 10, 2019). <https://www.bloomberg.com/features/richest-families-in-the-world/>
- <sup>8</sup> Letter to Sen. Elizabeth Warren from Emmanuel Saez and Gabriel Zucman, University of California, Berkeley (Jan. 18, 2019), p. 4. <https://www.warren.senate.gov/imo/media/doc/saez-zucman-wealthtax.pdf>. Updated with 2016 data provided by the authors.
- <sup>9</sup> New York Times, “How to Tax Our Way Back to Justice” (Oct. 11, 2019). <https://www.nytimes.com/2019/10/11/opinion/sunday/wealth-income-tax-rate.html?searchResultPosition=4>
- <sup>10</sup> WP, “For the first time in history, U.S. billionaires paid a lower tax rate than the working class last year” (Oct. 8, 2019).
- <sup>11</sup> Tax Policy Center, “Are US Billionaires Really Paying A Lower Tax Rate Than Working People? Probably Not.” (Oct. 11, 2019). <https://www.taxpolicycenter.org/taxvox/are-us-billionaires-really-paying-lower-tax-rate-working-people-probably-not>
- <sup>12</sup> Economic Policy Institute (EPI), “CEO Compensation Surged in 2017” (Aug. 16, 2018). <https://www.epi.org/publication/ceo-compensation-surged-in-2017/>
- <sup>13</sup> Center for American Progress, “Ending Special Tax Treatment for the Very Wealthy” (June 4, 2019), Figure 2. <https://www.americanprogress.org/issues/economy/reports/2019/06/04/470621/ending-special-tax-treatment-wealthy/>
- <sup>14</sup> Washington Center for Equitable Growth (WCEG), Figure 2.
- <sup>15</sup> WCEG, “The Distribution of Wealth in The United States and Implications for a Net Worth Tax” (Mar. 21, 2019), Table 1. <https://equitablegrowth.org/the-distribution-of-wealth-in-the-united-states-and-implications-for-a-net-worth-tax/>. The 99th percentile of the wealth distribution is \$10 million.
- <sup>16</sup> For income see Emmanuel Saez, University of California, Berkeley, “Striking it Richer: The Evolution of Top Incomes in the United States (Updated with 2017 final estimates)” (Mar. 2, 2019), Fig. 2, p. 10. <https://eml.berkeley.edu/~saez/saez-USstopincomes-2017.pdf> For wealth see Gabriel Zucman, “Global Wealth Inequality,” draft paper prepared for the Annual Review of Economics, Volume 11, 2019 (Feb. 7, 2019), Fig. 2, p. 120. <http://gabriel-zucman.eu/files/Zucman2019.pdf>
- <sup>17</sup> IRS SOI Division data. The AGI for the richest 1% was \$480,804 in 2016 (row 40). The authors assumed an annual increase of 3.8% a year over three years based on the 15-year average, resulting in a figure of nearly \$537,725 in 2019.
- <sup>18</sup> Saez, “Striking it Richer,” Table 1, p. 8.