



SEVEN REASONS FOR A BILLIONAIRES INCOME TAX

[President Joe Biden](#) and [Sen. Ron Wyden](#) (OR), chairman of the Senate tax writing committee, have proposed [similar versions](#) of a billionaires income tax with these benefits:

- 1. Billionaires who now go tax-free will finally have to pay their fair share—or at least pay something.** Despite their enormous wealth, America’s billionaires can now often go years [without paying any federal income tax](#) or paying a [tax rate that is much lower](#) than many teachers, nurses and firefighters pay. A billionaires income tax would end that scandal.
- 2. Wealth will be taxed more like work.** Workers’ paychecks are taxed all year, every year. But billionaires can go a lifetime without their investment income being taxed one penny unless they sell their assets. But they often [don’t have to do that](#), instead borrowing at low interest rates against their rising fortunes to live lavishly while avoiding taxes. A billionaires income tax will tax wealth more like work by taxing the investment gains of billionaires every year.
- 3. Hundreds of billions of dollars will be raised that can be used to lower costs for working families and make other crucial public investments.** President Biden’s [Billionaire Minimum Income Tax](#) would raise \$360 billion over 10 years, while the [Billionaires Income Tax](#) proposed by Sen. Ron Wyden, chairman of the tax-writing Senate Finance Committee, would raise \$557 billion. This revenue can help lower the costs to working families of childcare, healthcare, housing, education and more. It can help fund solutions for climate change that’s threatening our communities with wildfires, droughts and floods.
- 4. The timing is right: America’s 740 billionaires as of April 5, 2022, got \$2 trillion, or 70%, richer during the first two years of the pandemic.** They own nearly 50% more wealth [than the 65 million households](#) that make up the bottom half of American society.
- 5. The American people want this tax—by overwhelming margins.** [Polling shows](#) that a billionaires income tax enjoys the support of large majorities across the country. It increases the popularity of President Biden’s Build Back Better economic agenda by up to 40 points in battleground states and districts, especially among undecided independent voters.
- 6. It will help restore trust in a tax system that many Americans now view as rigged.** When billionaires can go tax-free, working Americans know something’s rotten. A billionaires income tax will start to rebuild trust in our tax code and economic system.
- 7. Investment capital that is now frozen to avoid taxes will be freed up for better uses.** Billionaires now pay taxes on all their investment income only if they sell those investments that have gone up in value. So, to avoid tax, they often hold investments past their prime. A billionaires income tax that covers yearly investment gains will eliminate that incentive to hold onto old assets, freeing up capital for new and more productive ventures that create jobs and build communities.