

Congress of the United States

Washington, DC 20515

June 11, 2024

The Honorable Joseph R. Biden
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

The Honorable Janet Yellen
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

President Biden and Secretary Yellen:

We write to urge your administration to support an important initiative at the G20 to foster international cooperation on taxation of ultra-wealthy individuals. This is a historic opportunity for the United States to provide global leadership on tax fairness and also strengthen the administration's vital domestic efforts to achieve a fairer tax system.

We agree with you that it is time for the very wealthiest to pay their fair share. Data shows the very richest billionaires in the United States pay an effective income tax rate of 8.2%.¹ The U.S. is far from alone. Researchers estimate that billionaires in other countries pay as little as 2% of their income in taxes, and that globally billionaires pay a rate equivalent to between 0 and 0.5% of their wealth.² Every tax dollar not paid by a billionaire could have been used to invest in our communities, address climate change, and support public goods – from education to healthcare to infrastructure – that are critical to prosperity and a strong economy.

This is why we commend your efforts to build a more just tax system, including your proposed minimum tax on billionaires,³ and your administration's revenue-generating⁴ steps to tackle avoidance by high earners.⁵ It is also why we support legislative proposals that would end the scandal of billionaires paying a lower rate than working-class families, combat economic inequality, and help achieve racial, gender, and climate justice.

This year Brazil, which holds the G20 presidency, is calling for action on the taxation of wealthy individuals. They aim for increased cooperation between G20 countries to support tax progressivity and ensure the world's richest people pay their fair share. This could involve coordinated standards, information sharing, or a global minimum floor for taxation of the wealthy that could in theory be satisfied by many of the leading proposals to raise taxes on the ultra-rich, including the billionaire minimum income tax. We have seen how international cooperation on taxation can deliver meaningful advances, as demonstrated by the landmark 2021 agreement by

¹ White House, "New OMB-CEA Report: Billionaires Pay an Average Federal Individual Income Tax Rate of Just 8.2%," September 2021, <https://www.whitehouse.gov/omb/briefing-room/2021/09/23/new-omb-cea-report-billionaires-pay-an-average-federal-individual-income-tax-rate-of-just-8-2/>.

² EU Tax Observatory. "Global Tax Evasion Report 2024," Annette Alstadsæter, Sarah Godar, Panayiotis Nicolaidis, and Gabriel Zucman, October 2023, https://www.taxobservatory.eu/www-site/uploads/2023/10/global_tax_evasion_report_24.pdf.

³ White House, "Fact Sheet: The President's Budget Cuts Taxes for Working Families and Makes Big Corporations and the Wealthy Pay Their Fair Share," OMB, March 2024, <https://www.whitehouse.gov/briefing-room/statements-releases/2024/03/11/fact-sheet-the-presidents-budget-cuts-taxes-for-working-families-and-makes-big-corporations-and-the-wealthy-pay-their-fair-share/>.

⁴ IRS, "Inflation Reduction Act 1-Year Report Card: IRS delivers dramatically improved 2023 filing season service, modernizes technology, pursues high-income individuals evading taxes," August 2023, <https://www.irs.gov/newsroom/inflation-reduction-act-1-year-report-card-irs-delivers-dramatically-improved-2023-filing-season-service-modernizes-technology-pursues-high-income-individuals-evading-taxes>.

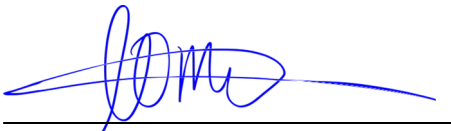
⁵ IRS, "IRS launches new effort aimed at high-income non-filers; 125,000 cases focused on high earners, including millionaires, who failed to file tax returns with financial activity topping \$100 billion," February 2024, <https://www.irs.gov/newsroom/irs-launches-new-effort-aimed-at-high-income-non-filers-125000-cases-focused-on-high-earners-including-millionaires-who-failed-to-file-tax-returns-with-financial-activity-topping-100-billion>.

more than 130 countries to create a global tax framework on corporate taxation.⁶ This is a chance to build on what was learned and deliver better results by working together, but with a focus on individuals instead of corporations.

We believe that Brazil's G20 initiative is in the strategic interest of the United States. International cooperation will strengthen domestic efforts to tax the wealthiest, including those that you and many of us in Congress have championed. Coordinated standards can help tackle tax avoidance and evasion by ultra-wealthy individuals. Additionally, your administration's strong track record on these issues means the United States has a valuable role to play, lending leadership and expertise in support of a truly global effort that has the backing of top economists and civil society, and our close international allies.

We encourage your administration to join others in pledging support for this effort, and to help lead the G20 to a historic agreement that will secure a more equitable U.S. and global economy.

Sincerely,



Ilhan Omar
Member of Congress



Bernard Sanders
United States Senator



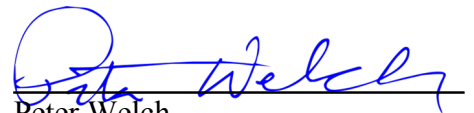
Pramila Jayapal
Member of Congress



Elizabeth Warren
United States Senator

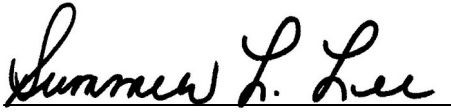


Steve Cohen
Member of Congress

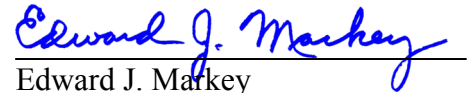


Peter Welch
United States Senator

⁶ OECD, "International Community Strikes a Ground-Breaking Tax Deal for the Digital Age," August 2021, <https://www.oecd.org/tax/international-community-strikes-a-ground-breaking-tax-deal-for-the-digital-age.htm/>.



Summer L. Lee
Member of Congress



Edward J. Markey
United States Senator



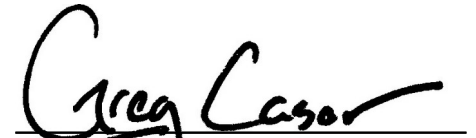
Barbara Lee
Member of Congress



Rashida Tlaib
Member of Congress



Cori Bush
Member of Congress



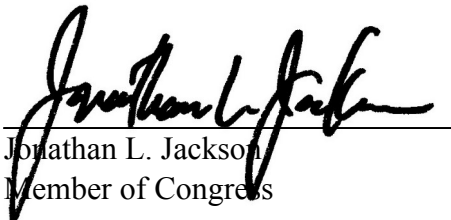
Greg Casar
Member of Congress



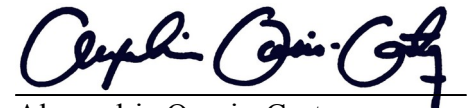
Eleanor Holmes Norton
Member of Congress



Bonnie Watson Coleman
Member of Congress



Jonathan L. Jackson
Member of Congress



Alexandria Ocasio-Cortez
Member of Congress



Raúl M. Grijalva
Member of Congress



Jesús G. "Chuy" García
Member of Congress