

The Make Billionaires Pay Their Fair Share Act

Sen. Bernie Sanders (I-Vt.) and Rep. Ro Khanna (D-Calif.)

One of the most important moral and economic issues of our time is the urgent need to confront the obscene level of income and wealth inequality that we are currently experiencing. Never before in our nation's history have so few people held so much wealth and so much power.

In America today, the top one percent owns more wealth than the bottom 93%. The wealthiest man alive, Elon Musk, worth over \$830 billion, now owns more wealth than the bottom 53 percent of American households. The CEOs of large corporations are now making 350 times more than their average workers. Last year alone, the 938 billionaires in America became \$1.5 trillion richer. Over the past 6 years, these billionaires have more than doubled their wealth and have become over \$4.6 trillion richer.

The massive level of income and wealth inequality in America did not happen over night. It has been going on for decades. According to the Rand Corporation, over the past 50 years, \$79 trillion in wealth has been redistributed from the bottom 90 percent to the top 1 percent.

Meanwhile, at a time when over 60 percent of Americans are living paycheck to paycheck and cannot afford the outrageously high prices of health care, prescription drugs, housing, child care, groceries and food, billionaires in America currently pay a lower effective tax rate than the average truck driver, teacher or nurse. That is unacceptable.

In a democratic society, we can no longer tolerate a rigged economy where so few have so much while so many have so little.

As Supreme Court Justice Louis Brandeis famously said in 1933: "We can have democracy in this country, or we can have great wealth concentrated in the hands of a few, but we cannot have both." What Justice Brandeis said was accurate 93 years ago. It is even more accurate today.

Therefore, Senator Sanders and Congressman Ro Khanna will be introducing the Make Billionaires Pay Their Fair Share Act. This legislation builds upon what trade unions are working to establish in California.

A 5% wealth tax on billionaires would raise \$4.4 trillion over the next decade.

This bill would establish a 5% annual wealth tax on just 938 billionaires in America who are now worth \$8.2 trillion. Nobody who has a net worth of less than \$1 billion would pay a penny more in taxes under this bill. It has been estimated that this bill would raise \$4.4 trillion over the next decade.

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This revenue would be used to substantially improve the lives of the American people and address some of the major crises facing working families, the children, the elderly, the sick and the most vulnerable.

Specifically, it would be used to:

1. Provide a \$3,000 direct payment to every man, woman and child living in a household making \$150,000 or less. Under this provision, a family of four making \$150,000 or less would receive \$12,000 that they could use to offset the high cost of housing, health care, prescription drugs, child care or other basic necessities. Cost: \$959 billion.
2. Stop 15 million Americans from losing the health care they currently have by reversing the \$1.1 trillion in cuts to Medicaid and the Affordable Care Act that were included in Trump's so-called Big Beautiful Bill. It has been estimated that over 50,000 Americans will die unnecessarily if we don't repeal these massive cuts to health care.
3. Expand Medicare to cover dental, vision and hearing so that millions of seniors no longer have to go without the dentures, hearing aids and eyeglasses they desperately need in the richest country in the history of the world. Cost: \$290 billion over the next decade.
4. Eliminate the affordable housing gap and abolish homelessness in America by building, rehabilitating and preserving over 7 million affordable homes and apartments. Cost: \$856 billion over the next decade.
5. End the child care crisis in America by making sure that no family in America pays over 7 percent of their income on childcare. Cost: \$700 billion over the next decade.
6. Give teachers in America a raise by establishing a \$60,000 a year minimum salary for every public school teacher in America. Cost: \$152 billion over the next decade.
7. Ensure that seniors and people with disabilities are able to receive the home health care they need through Medicaid. Cost: \$300 billion over the next decade.

What Billionaires Would Pay Under the 5 Percent Wealth Tax

- Elon Musk, worth \$833 billion, would owe \$42 billion in taxes if a 5 percent tax were applied to his current wealth. After paying that tax, his total wealth would go from \$833 billion to about \$792 billion. He has become \$570 billion richer since Trump was elected. For Mr. Musk, one private jet is not enough, so he bought at least four worth \$270 million. He even bought his own city in Texas.
- Mark Zuckerberg, worth \$220 billion, would owe \$11 billion in taxes if a 5 percent tax were applied to his current wealth. After paying that tax, his total wealth would go from \$220 billion to \$209 billion. He has become \$24 billion richer since Trump was elected. For Mr. Zuckerberg, apparently one yacht is not enough, so he bought 3 worth \$530 million including one that is 387 feet and costs \$30 million to maintain. One mansion in Palo Alto is apparently not good enough for Mr. Zuckerberg so he bought 11 homes in that city to create his own private compound.
- Jeff Bezos, worth \$218 billion, would owe about \$11 billion in taxes if a 5 percent tax were applied to his current wealth. His total wealth would go from \$218 billion to about \$207 billion after paying that tax. He has become \$3 billion richer since Trump was elected. For Mr. Bezos, apparently it was not good enough to have a nice wedding at one of his dozens of estates, mansions or properties in the U.S. So he sailed on his \$500 million, 400-foot yacht to his \$55 million wedding in Venice, Italy to give his wife a \$5 million ring.
- Larry Ellison, worth \$182 billion, would owe about \$9 billion in taxes if a 5 percent tax were applied to his current wealth. His total wealth would go from \$182 billion to about \$173 billion after paying that tax. For Mr. Ellison, one private jet is not good enough so he bought five - along with several fighter jets he own for “recreational use.” One 23-acre estate in California is apparently not good enough for Mr. Ellison so he bought at least two dozen properties on Billionaires Beach in Malibu, the most expensive mansion in Florida, and his own 90,000-acre private island in Hawaii, which he bought for \$500 million.
- Larry Page, worth \$257 billion, would owe about \$13 billion in taxes if a 5 percent tax were applied to his current wealth. His total wealth would go from \$257 billion to about \$244 billion after paying that tax. He has become \$115 billion richer since Trump was elected. For Mr. Page, one mansion in Miami was apparently not good enough so he bought two worth \$173 million. He also bought his own flying car for \$100 million.