

TACKLING INEQUALITY WITH A WEALTH TAX

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DID YOU KNOW?



- THE SHARE OF WEALTH HELD BY MIDDLE-INCOME HOUSEHOLDS IN THE U.S. IS FALLING AS THE GAP BETWEEN MIDDLE-INCOME AND LOW-INCOME FAMILIES CONTINUES TO INCREASE. (13).
- THE WEALTH GAP IN THE US HAS MORE THAN DOUBLED FROM 1989 TO 2016. BY 2016, THE TOP 5% HELD 248 TIMES AS MUCH WEALTH AS THE MEDIAN. TYPICALLY, MEDIAN WEALTH IN THE POOREST 20% IS EITHER 0 OR NEGATIVE (13).
- 61% OF AMERICANS BELIEVE THERE IS TOO MUCH ECONOMIC INEQUALITY IN THE COUNTRY TODAY (13).

THE TOP 1% HAS SEEN A \$21 TRILLION INCREASE IN ITS WEALTH COLLECTIVELY OVER THE PAST 30 YEARS (12).

"At a time when millions of Americans are working two or three jobs to feed their families, the three wealthiest people in this country own more wealth than the bottom half of the American people." - Bernie Sanders

The **1%** in the US have seen a **31%** increase in income growth since the recession in 2008 but the other **99%** have seen **<1%** of growth. (5)

-IMPORTANT TERMS TO KNOW-



WEALTH

THE MARKET VALUE OF ASSETS A PERSON OWNS MINUS THEIR DEBTS (15)



CAPITAL

SIGNIFICANT PIECES OF PROPERTY LIKE CARS, HOMES, STOCKS, ETC.



INCOME

MONEY RECEIVED IN EXCHANGE FOR SERVICES AND OFTEN CALCULATED ANNUALLY FOR TAX PURPOSES (7)



So, How Do We Fix Inequality?

FIRST, WHAT'S A WEALTH TAX?

-WHAT IT IS-

- AN ANNUAL TAX ON THE NET WORTH A PERSON HOLDS, WHICH IS DETERMINED BY ASSETS (9)
 - CONSTITUTIONAL (6)
- A LESS COMPLEX ALTERNATIVE TO AN INCOME TAX BECAUSE IT FUNCTIONS AS AN ESTATE TAX FOR THE LIVING, WHICH IS ALREADY WIDELY ACCEPTED (14)

-WHAT IT ISN'T-

- AN ANNUAL TAX ON EARNED INCOME RATHER THAN NET WORTH (2)
- A MISAPPROPRIATED DIRECT TAX THAT IS CONSIDERED UNCONSTITUTIONAL (6)
 - TOO COMPLEX OR IMPRACTICAL TO BE IMPLEMENTED PROPERLY (14)
 - DAMAGING TO THE UPPER MIDDLE CLASS; WEALTH TAXES ARE ONLY MEANT FOR THE EXTREMELY WEALTHY (12)

Here's the Big Idea



THE US COULD FOLLOW THE MODELS OF SPAIN, NORWAY, SWITZERLAND, AND BELGIUM. THESE COUNTRIES ALL GENERATE REVENUE FROM THEIR WEALTH TAXES (17).

THIS SORT OF TAX COULD HELP CUT DOWN ON CORPORATE TAX AVOIDANCE AND LOOPHOLES, MEANING LESS HOARDING OF WEALTH BY CEOS (3)

A WEALTH TAX COULD CUT DOWN ON THE WEALTH INEQUALITY THAT HAS PERSISTED IN THE US SINCE THE 1920S AND THEREFORE GIVE MORE ACCESSIBILITY TO THE LOWER CLASS (1)

DECREASING THE LEVELS OF INEQUALITY PRESENT IN THE US COULD IN TURN HELP DEMOCRACY; DEMOCRACY SUFFERS WHEN INEQUALITY IS HIGH (3)

Implementing a 1% tax on net worths of over \$32 million would raise over a ten year period and would break up the concentrated wealth of the richest class (12).

\$4.35 TRILLION

A WEALTH TAX WOULD HELP GENERATE REVENUE FOR CONGRESS WHILE SIMULTANEOUSLY ADDRESSING THE WEALTH INEQUALITY ISSUE WITHIN THE US. WEALTH INEQUALITY IS HIGHER THAN INCOME INEQUALITY, MEANING THERE IS A NEED FOR POLICY SUCH AS A WEALTH TAX RATHER THAN THE TYPICAL ANNUAL INCOME TAX WE ARE ACCUSTOMED TO (16). PROPOSED WEALTH TAXES FROM PREVIOUS DEMOCRATIC CANDIDATES FOR PRESIDENT COULD HELP PAY FOR PLANS LIKE UNIVERSAL CHILDCARE, UNIVERSAL HEALTHCARE, EXPANDING SOCIAL SECURITY, ETC. (12).

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