



We are in a historic (and potentially very brief!) political moment when progressives have a real shot at winning a path-breaking tax on the nation’s super-wealthy.

Just over the past week, a billionaire wealth tax proposal has suddenly moved from the edge to the very center of the negotiating table for President Biden’s sweeping Build Back Better agenda.

What explains the shift? The reasons are both negative and positive.

On the negative side: Kyrsten Sinema.

Last week, the Arizona Senator took a break from high-roller fundraising to inform her colleagues that she opposes even partially undoing the tax rate cuts on corporations and wealthy individuals that Republicans enacted (and she voted against) in 2017. This sent Democrats scrambling for new revenue sources, and Senator Elizabeth Warren and others are sounding optimistic that Sinema might be open to a billionaire tax.

Again on the negative side: pandemic profiteering.

U.S. billionaires have run wild during the crisis, making themselves nearly impossible to defend. Since March 2020, their combined wealth has ballooned by over \$2.1 trillion, a gain of 70 percent, according to research by Americans for Tax Fairness and the Institute for Policy Studies. And instead of deploying their fortunes for good on this planet, billionaires have captured headlines with their outer space adventures.

In the positive side: activists taking on the billionaire class.

Many groups that once focused exclusively on poverty are now tackling the top end of the inequality problem and demanding that the rich pay their fair share of expanded child tax credits, universal pre-K, affordable home care, and the many other vital investments in the Build Back Better plan.

Poor People’s Campaign Co-Chair Rev. William J. Barber II, for example, recently excoriated Senator Joe Manchin for denigrating proposed education and health care investments for low-income Americans as wasteful “entitlements” while “treating billionaires like they have the entitlement to make \$2 trillion during the pandemic.”

So how would a billionaire wealth tax work?

Senate Finance Chair Ron Wyden is expected to release the details shortly, but we know that his plan makes billionaires pay annual taxes on their increased wealth. This is key, since the ultra-rich get the vast bulk of their money from investments rather than from paychecks like most of the rest of us.

The billionaire wealth tax merits an extra push since it is the most powerful tool on the table for tackling the wealthy inequality that is undermining our economy and threatening our democracy. Americans for Tax Fairness has set up a handy one-stop site with billionaire tax fact sheets, polling, and other action tools.

Democratic leaders are saying that such a tax is “likely” to be in the Build Back Better legislation. But lobbyists for the ultra-rich will be fighting to whack it out before the final votes, which could come as soon as this week.

The window is narrow. But it is open.