Modeling a Wealth Tax

A wealth tax will usually have a threshold at which it starts.  
How much difference would a high threshold make? To model that,  
we need to make some assumptions about the initial value of  
your stock and the growth rate.Suppose your stock is initially  
worth $2 million, and the company's trajectory is as follows:  
the value of your stock grows 3x for 2 years, then 2x for 2 years,  
then 50% for 2 years, after  
which you just get a typical public company growth rate,  
which we'll call 8%.   
[1]  
Suppose the wealth tax threshold is  
$50 million. How much stock does the government take now?  
  
wealth taxgovernment takes  
0.1%5%0.5%23%  
1.0%41%  
2.0%65%  
3.0%79%  
4.0%88%5.0%93%  
  
  
  
It may at first seem surprising that such apparently small tax rates  
produce such dramatic effects. A 2% wealth tax with a $50 million  
threshold takes about two thirds of a successful founder's stock.The reason wealth taxes have such dramatic effects is that they're  
applied over and over to the same money. Income tax  
happens every year, but only to that year's income. Whereas if you  
live for 60 years after acquiring some asset, a wealth tax will tax  
that same asset 60 times. A wealth tax compounds.Note[1]  
In practice, eventually some of this 8% would come in the form of   
dividends, which are taxed as income at issue, so this model actually  
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