



WE NEED A MILLIONAIRES SURTAX

**An Extra 10% Tax on the Super Rich Would Narrow the Wealth Gap
And Raise \$635 Billion for Vital Public Services**

THE PROBLEM

America faces two big, connected problems:

- The gap between the wealthy and the rest of us keeps widening, shortchanging opportunity, destabilizing our economy and threatening our democracy.
- We aren't raising enough public revenue for vital investments and services that can help create an economy that works for all of us, not just the wealthy few.

THE SOLUTION

We need to raise trillions of dollars by ensuring the wealthy and corporations pay their fair share of taxes so we can protect Social Security, Medicare and Medicaid and invest in education, affordable childcare, decent housing, infrastructure, clean renewable energy and more. This solution will require numerous progressive reforms to the tax system—many of them complicated and opposed by wealthy and powerful special interests.

A FIRST STEP

One first step toward a fairer and more equitable tax system is a **Millionaires Surtax**. This relatively simple reform would add an additional 10-percentage point tax on top of the existing tax rates paid by the wealthiest Americans. Similar proposals have been strongly supported in the past by Democrats in Congress.

Here's how the **Millionaires Surtax** would work and what it would do:

- **A 10-percentage point surtax would be assessed on the income *above* \$2 million for married couples filing jointly and \$1 million for individuals** (based on adjusted gross income). This would [raise \\$635 billion](#) over 10 years, according to the Tax Policy Center. Only **the richest 0.2%** of taxpayers would pay the tax; the other 99.8% wouldn't pay a dime.
- **The surtax would apply to income earned from work (wages and salaries) *and* to investment income gained from wealth, such as the sale of stock and dividends from stock.** The wealthy get most of their income from investments, so the tax rate on that part of their income needs to increase significantly for them to pay their fair share. The top tax rate on income from wages and salaries would rise from 37% to 47%. Investment income would be taxed at 30%, up from 20% today.
- **The Millionaires Surtax is easy to understand, simple to apply, and effective as it covers all kinds of income, making it difficult for the wealthy to avoid.** It is also very popular with the public: [73% of likely 2020 voters in a recent poll supported the surtax](#); just 27% opposed it.