

# THE PERISCOPE POST

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## Warren Buffett urges US billionaires to pay more tax, brands system unfair

Billionaire investor Warren Buffett has called for higher taxes for the "mega rich". In a **New York Times** op-ed, Buffett declared that "while most ordinary Americans struggle to make ends meet", he and his wealthy friends have been left "untouched" by the financial crisis. This isn't Buffett's first swipe at the world's financial elite: last year, he and close friend Bill Gates urged billionaires to give away at least 50 percent of their wealth to charity. Buffett, whose wealth is estimated at \$43 billion by **Forbes**, pledged to donate at least 99 percent of his own fortune to philanthropic causes during his lifetime or on his death. So far, so generous; but not everyone is thrilled by the latest statement by the "Sage of Omaha".

**Please, sir, can I pay some more?** Buffett revealed that his federal tax bill was \$6,938,744 last year. "That sounds like a lot of money," he wrote, possibly not content with being the world's third richest man and now vying for the title of world's greatest master of understatement. However, Buffett pointed out that, as a percentage of his taxable income, the amount was in fact relatively low at 17.4 percent - lower, indeed, than anyone else in his office. The billionaire investor blamed "extraordinary tax breaks" for the inequity: "My friends and I have been coddled long enough by a billionaire-friendly Congress. It's time for our government to get serious about shared sacrifice." Buffett also challenged the Republican arguments against raising taxes, insisting such a move would not scare away investors or damage employment



creation.

**No, you pay up.** According to **Politico**, conservative bloggers have reacted by suggesting Buffett should "put his money where his mouth is" and visit the US Treasury Department's website for "[making donations to help reduce the public debt](#)". No, really, it exists; don't all rush at once. **Tax man.** Doug Bandow at **The American Spectator** blog questioned Buffett's claim that the super-rich would be perfectly happy to pay higher taxes: "If this is true, why do Buffett and the other rich people so ready to pay more have to be told to pay more? Why don't they just pay more on their own?" Perhaps predictably for the politically conservative publication, Bandow accused Buffett of spending other people's money through his op-ed call for higher tax for the wealthy. Meanwhile, Tim Worstall at **Forbes** took issue with Buffett's maths, arguing that the billionaire had not accounted for corporate income tax.

**Talking sense.** Over at **The Atlantic**, Daniel Indiviglio agreed that the op-ed tax argument left out the effect of corporate income tax, and also questioned Buffett's suggestion that lower payroll taxes for investors are unfair. However, Indiviglio also argued that Buffett's higher tax plea does make sense for certain kinds of investor, and that the government could raise revenue by translating this into tax reforms. Writing for **The Washington Post's Post Leadership** blog, Jena McGregor was even more Buffett-friendly: "He's doing something rare in this country—taking the lead on giving up something of his own in order to help the greater good."

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