



Sanders Wealth Tax Proposal: “Billionaires Should Not Exist”

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Avowed socialist and Democrat presidential candidate Bernie Sanders has released **the latest radical tax proposal** of the 2020 campaign cycle. The new Sanders proposal is a progressive annual wealth tax designed to **completely eliminate** wealthy Americans.

The Sanders wealth tax plan contains a number of Orwellian provisions designed to discourage wealth creation and entrepreneurship, chief among them the creation of a “national wealth registry” that could remove all semblance of privacy for wealthy Americans.

Sanders’ wealth tax kicks in at just \$32 million in assets and has a top rate of 8%. This tax would be calculated to include the value of individuals’ 401ks, homes, savings, and other assets.

The breakdown is below:

- 1 percent for married couples with a net worth above \$32 million.
- 2 percent for Americans with a net worth between \$50 and \$250 million.
- 3 percent for Americans with a net worth between \$250 and \$500 million.
- 4 percent for Americans with a net worth between \$500 million and \$1 billion.
- 5 percent for Americans with a net worth between \$1 and \$2.5 billion.
- 6 percent for Americans with a net worth between \$2.5 and \$5 billion.
- 7 percent for Americans with a net worth between \$5 and \$10 billion.
- 8 percent for Americans with \$10 billion or more in assets.

Sanders would also punish Americans that leave the country to escape his extreme wealth tax. The Sanders plan slaps a 40 percent exit tax on Americans with assets under \$1 billion, and 60 percent on Americans with assets over \$1 billion.

The Sanders tax gives Internal Revenue Service (IRS) agents the power to audit 30 percent of wealth tax returns for the top 1 percent of Americans, as well as a 100 percent audit rate for all billionaires.

Sanders projects that his wealth tax will raise \$4.35 trillion over the next decade. This is an ambitious estimate that assumes that high-earners do not relocate their homes and wealth elsewhere immediately after Sanders is elected president.

As mentioned before, the Sanders wealth tax is expressly designed to completely eliminate high-earning Americans. Sanders forecasts that his new wealth tax would take 15 years to cut the wealth of American billionaires in half. Assuming Sanders' projections are correct, no American billionaires would exist in 30 years.

A wealth tax has failed miserably everywhere it has been tried. In recent years, **at least 10** OECD countries have repealed their wealth taxes, citing negative economic impacts and harm to entrepreneurship and risk-taking. For example, a wealth tax in France imposed on assets over 1.3 million euros led to an exodus of taxpayers from the country. **In 2016 alone, 12,000 millionaires left France**, the highest outflow in the world. The year prior, in 2015, 10,000 millionaires left France for other countries, according to a report by New World Wealth.

The Sanders wealth tax is also wildly out of touch with how Americans view the wealthy. **A recent survey** from the Cato Institute shows that 71 percent of Americans feel more "admiration" than "resentment" toward the rich, 69 percent agree that billionaires "earned their wealth by creating value for others," and 75 percent disagree that "it's immoral for society to allow people to become billionaires."

We don't have to guess what Sanders hopes to accomplish with this insane plan. This morning, Sanders literally tweeted that billionaires **"should not exist."** If implemented, Sanders' radical wealth tax would harm economic growth, stifle entrepreneurship and risk-taking, and eventually eliminate all high-earning Americans.