

AFD 258 Progressive Tax Proposals Links and Notes

- AOC Marginal Income Tax

- <https://jacobinmag.com/2019/01/ocasio-cortez-70-percent-tax-redistribution-wealth>

But despite bipartisan beliefs to the contrary, Ocasio-Cortez's "radical agenda" is surprisingly [popular](#). When pollsters [asked](#) about AOC's 70 percent tax proposal, 59 percent of registered voters — including 71 percent of Democrats, 60 percent of independents, and 45 percent of Republicans — said they backed it.

The Left also has a powerfully simple moral retort to the Right's bogus "theft" claim: an additional dollar is more valuable to a poor person than to a rich person. Instantly understandable, this claim is also borne out by research. Money tends to "buy happiness," [but only](#) up to a point. Bill Gates and his ilk probably [wouldn't notice](#) if their bank accounts were \$10,000 lighter, but most Americans sure would (especially since they're [not likely](#) to even have that much in savings). The difference between being able to buy another yacht and being able to [afford health insurance](#) is a clear one, and we should insist that a vote for higher taxes on the rich is a vote for fewer yachts and [more](#) saved lives. This is how you make the [already shaky appeal](#) of Republican "flat tax" proposals and the Right's regressive tax philosophy [crumble](#)

The fact that people who work for their money pay a higher tax rate than people whose money works for them strikes most Americans as deeply unfair. When [asked](#) if "the tax rate on income from work should be lower than the tax rate on income from wealth" — the opposite of our current tax system — a whopping 75 percent of Americans agree, including 77 percent of Democrats, 71 percent of Republicans, and 84 percent of independents.

Just this past year, Republicans were supposed to ride their [top-heavy](#) 2017 tax cut to victory in the midterms. Instead, they ran [away](#) from them when it turned out that the public [overwhelmingly](#) thought the tax bill was written to favor the rich.

- <https://www.vanityfair.com/news/2019/01/its-only-good-for-democrats-right-why-even-wall-street-liberals-love-aoc>

- Elizabeth Warren Wealth Tax (3% on \$50 million)

- https://www.washingtonpost.com/politics/democrats-tax-plans-reflect-profound-shift-in-public-mood/2019/02/02/a1bb8ad0-2573-11e9-81fd-b7b05d5bed90_story.html?utm_term=.743f26f3f596

"What's 'ridiculous' is billionaires who think they can buy the presidency to keep the system rigged for themselves while opportunity slips away for everyone else," Warren [wrote](#) on Twitter. "The top 0.1%, who'd pay my #UltraMillionaireTax, own about the same wealth as 90% of America. It's time for change."

Michael R. Bloomberg, the billionaire former New York mayor who is considering a run as a Democrat, said Warren's plan is probably unconstitutional, adding that there is already a disturbing model for redistributing wealth.

"It's called Venezuela," he said during a recent trip to New Hampshire. (lolwut)

- <https://www.businessinsider.com/majority-americans-approve-elizabeth-warren-wealth-tax-plan-2019-1>
- <https://www.bostonglobe.com/news/politics/2019/01/26/warren-wealth-tax-proposal-could-alter-how-democrats-talk-about-economic-inequality/Dcplh6EjZ6OxuT0GW4PD5L/story.html>
- “The issue with capital, and the thing that can cause it to create inegalitarian death spirals, is that it generates passive incomes for its owners. **Piketty claims that, on average, capital has an annual return of 4 to 5 percent.** The income from these returns primarily flows to the tiny fraction of people that hold most of the capital.”
<https://www.demos.org/blog/3/19/14/piketlys-capital-sovereign-wealth-fund-solution>
- Sanders Estate Tax (65% on estates of \$1 billion or more)
 - <https://www.nytimes.com/2019/01/31/us/politics/bernie-sanders-estate-tax.html>
 - Separately Bernie also called for a wealth tax on \$21 million, a lower threshold than Warren’s wealth tax, a Wall St spec tax, a top marginal income tax on \$10M+, and an end to offshore tax havens
<https://twitter.com/GunnelsWarren/status/1089595452796911622>
- Fourth pillar would be capital gains tax
 - <https://medium.com/@MattBruenig/the-ubi-already-exists-for-the-1-d3a49fad0580>
In 2015, according to PSZ, the richest 1% of people in America received 20.2% of all the income in the nation. Ten points of that 20.2% came from equity income, net interest, housing rents, and the capital component of mixed income. Which is to say, **10% of all national income is paid out to the 1% as capital income.** Let me reiterate: **1 in 10 dollars of income produced in this country is paid out to the richest 1% without them having to work for it.**
- Davos reaction (lol)
 - Dell founder Michael Dell re AOC tax “Name a country where that’s worked — ever.” *Co-panelist and MIT professor Erik Brynjolfsson jumped in to offer an answer: “the United States.”*
https://www.washingtonpost.com/technology/2019/01/23/billionaires-davos-hate-alexandra-ocasio-cortezs-percent-tax-rich/?noredirect=on&utm_term=.ec9f3246e57f
 - Former Yahoo CFO Ken Goldman got dressed down
 - <https://www.vox.com/future-perfect/2019/1/30/18203911/davos-rutger-bregman-historian-taxes-philanthropy> “It feels like I’m at a firefighters conference and no one’s allowed to speak about water, right?” Bregman said. “Just stop talking about philanthropy and start talking about taxes. ... We can invite Bono once more, but we’ve got to be talking about taxes. That’s it. Taxes, taxes, taxes. All the rest is [BS] in my opinion.” (*his book Utopia for Realists is a passionate argument for UBI, open borders, and a 15-hour workweek as important and achievable goals*) In the Vox

interview afterward, Bregman observes that “philanthropy is not a substitute for democracy or proper taxation or a good welfare state” [...] “I don’t want to live in a society where we are dependent on the charity of one guy and his wife for something like that. That’s not what a just society looks like in my mind. In any just society, philanthropy should play a very small role, and you need to have a strong welfare state, strong governments, so that together, you can democratically decide on what you want to do.”

- Also before Davos, President Macron helpfully gave a speech at Versailles palace to Davos attendees saying the way to avoid the revolutionary guillotine was to Stay The Course on reforms, which he claims Louis and Marie-Antoinette failed to do.

<https://www.reuters.com/article/us-france-macron-business/in-versailles-macron-vows-to-reform-to-avoid-kings-fate-idUSKCN1PF1GH>

- <https://splinternews.com/please-keep-doing-this-rich-scumbags-1831991797>
- Greta Thunberg, the Swedish student organizing strikes against climate change inaction, also addressed Davos critically

- <https://www.youtube.com/watch?v=r5LtFnmPruU>

- <https://www.theguardian.com/inequality/2017/nov/20/if-you-tax-the-rich-they-wont-leave-us-data-contradicts-millionaires-threats>

Only about 2.4% of US-based millionaires change their state of residence in a given year. Interstate migration is actually more common among the US middle class, and almost twice as common among its poorest residents, who have an annual interstate migration rate of 4.5%.

- Also Howard Schultz panicked and announced a presidential bid with no ideas or policies except not being taxed more; meanwhile Bloomberg tried to say it was probably “unconstitutional”