

THE TRIUMPH OF INJUSTICE

How the Rich Dodge
Taxes and How to
Make Them
Pay



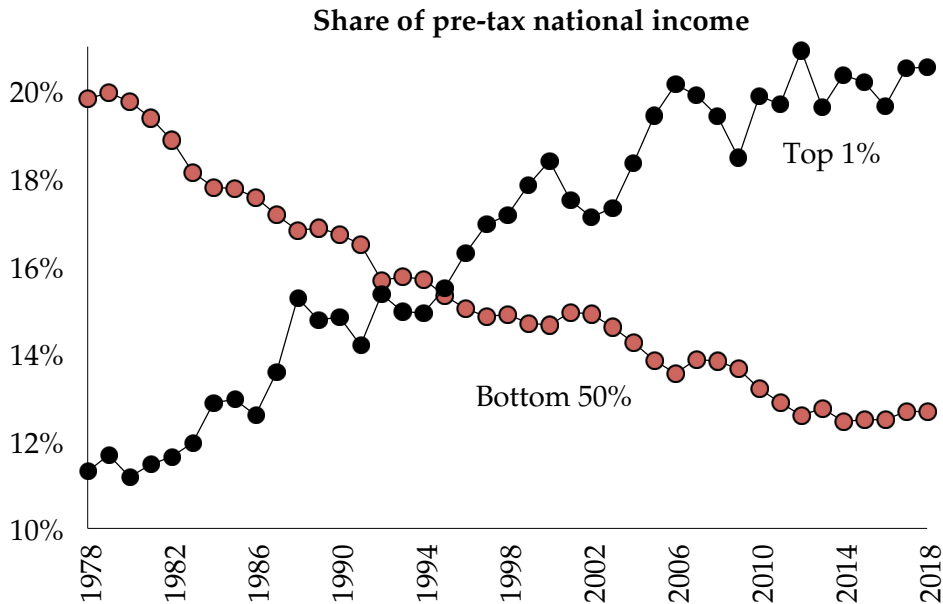
EMMANUEL SAEZ AND GABRIEL ZUGMAN

Three main novelties:

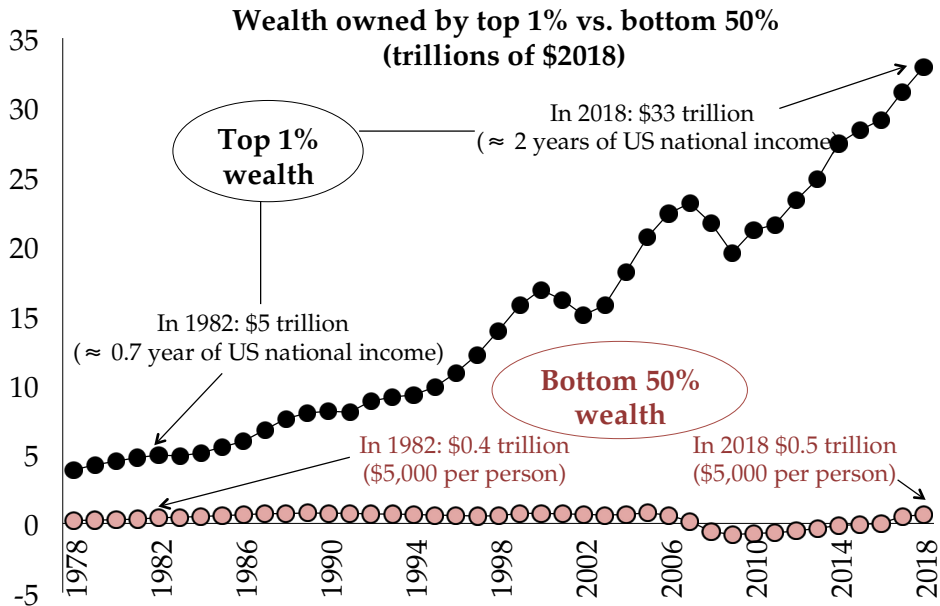
- . How much each social sociagroup pays in taxes, from early 20th century to today
- . Elements for a new 21st century tax system, reconciling globalization and progressive taxation
- . Tools for a democratic fiscal debate

TaxJusticeNow.org

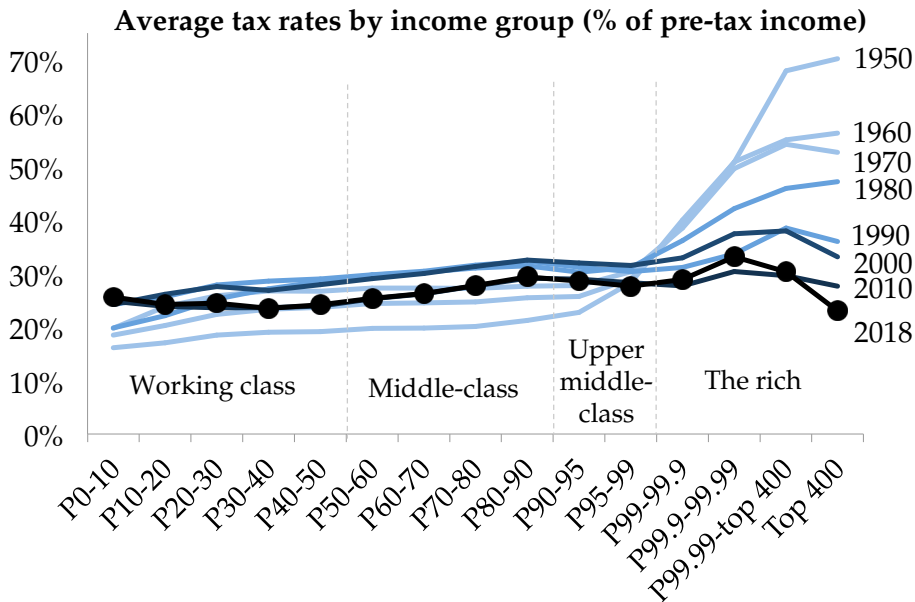
The rise of income inequality in the United States



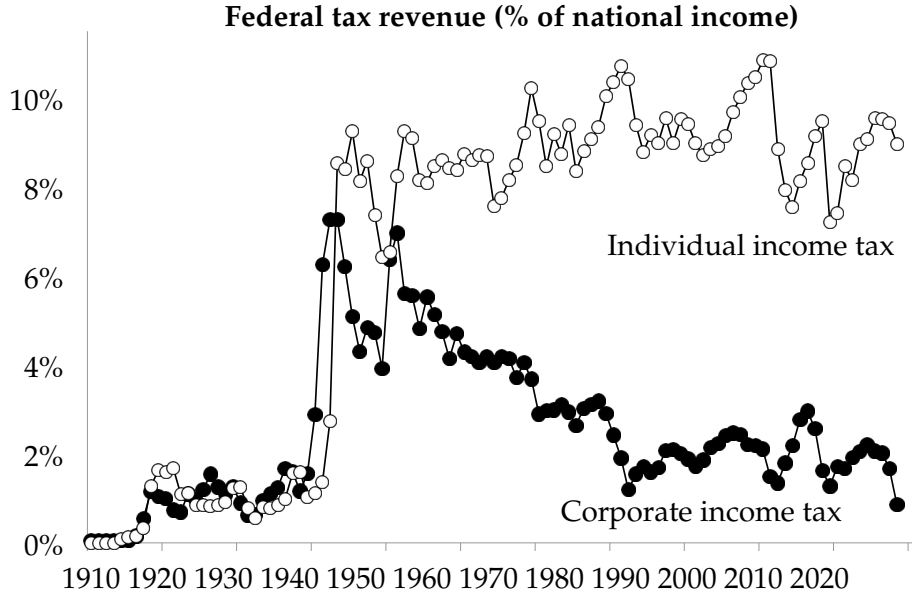
Wealth accumulation at the top. Wealth stagnation at the bottom.



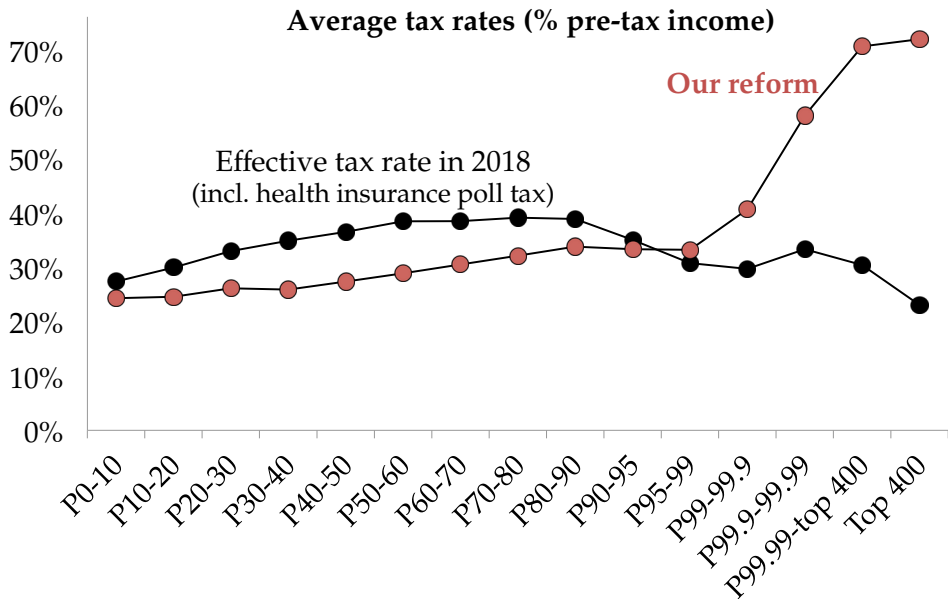
The shrinking progressivity of the US tax system



The slow agony of the corporate tax



Our proposed US tax revolution: Who would pay what



Reconcile globalization with tax justice

A lot can be done unilaterally to tax corp.

How the US could tax US firms:

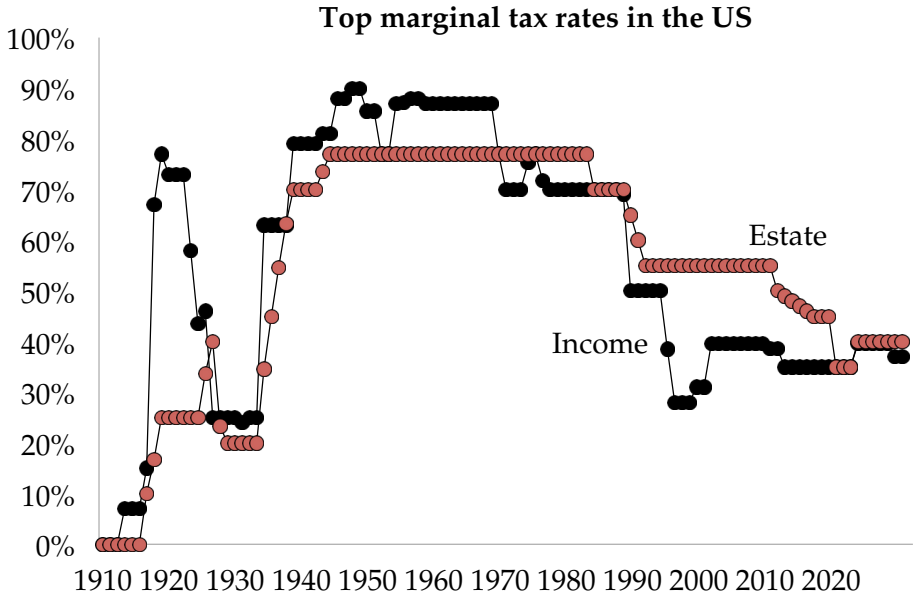
- . 25% minimum tax on country-by-country profits
- . Ex: If Apple pays 2% on its profits in Ireland, US would collect the missing 23% = 25% - 2%

How the US could tax foreign firms:

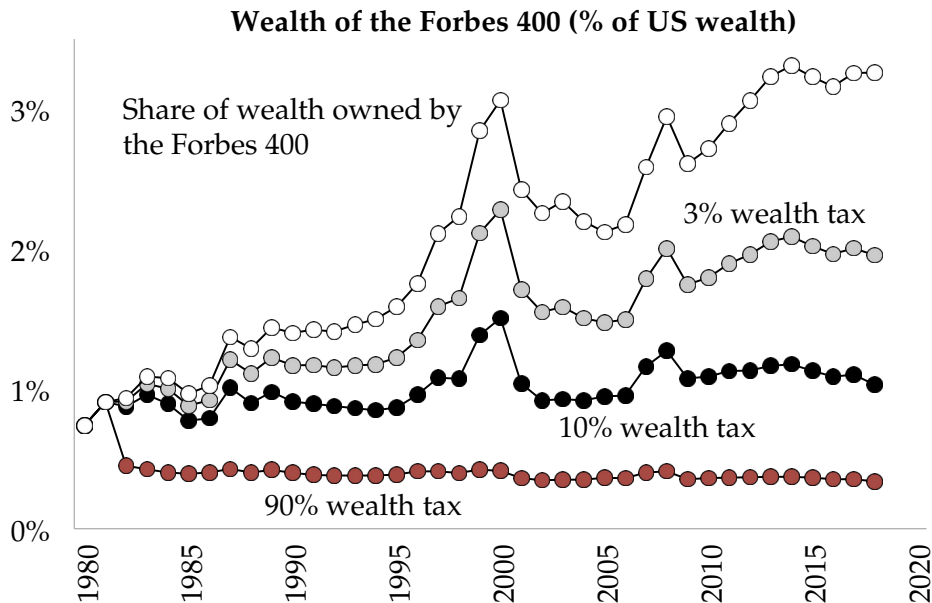
- . Sales apportionment of global tax deficit
- . Ex: if Nestle pays 2% globally and makes 30% of sales in US, US would collect $30\% \times (25\% - 2\%)$

Hard to avoid, can be done by any big country unilaterally

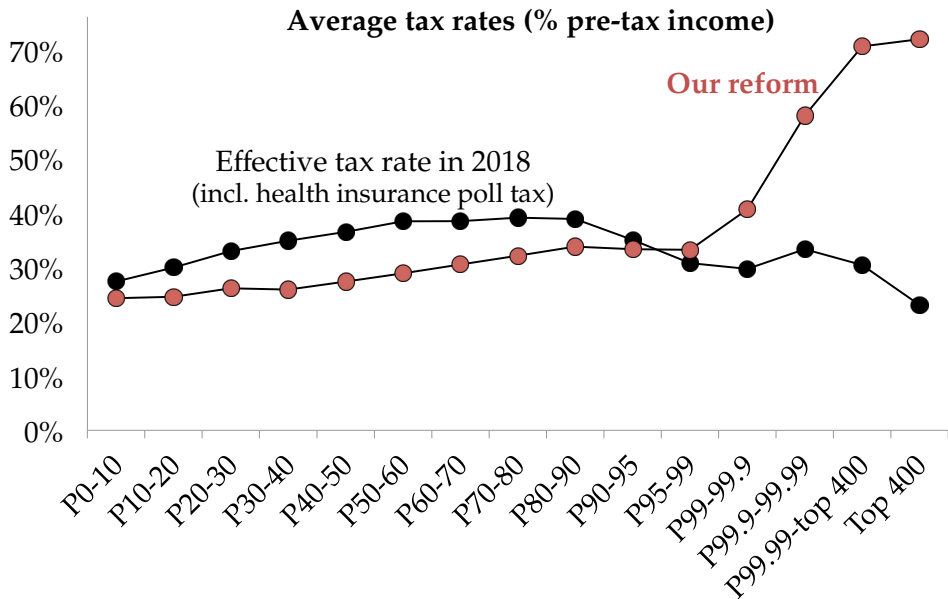
The progressive fiscal tradition in US



If a wealth tax above \$1 billion had been in place since 1982...



Our proposed reform: Who would pay what



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TECHNICAL APPENDIX ABOUT

For the first time in over a century,
billionaires now pay lower tax rates than their secretaries.

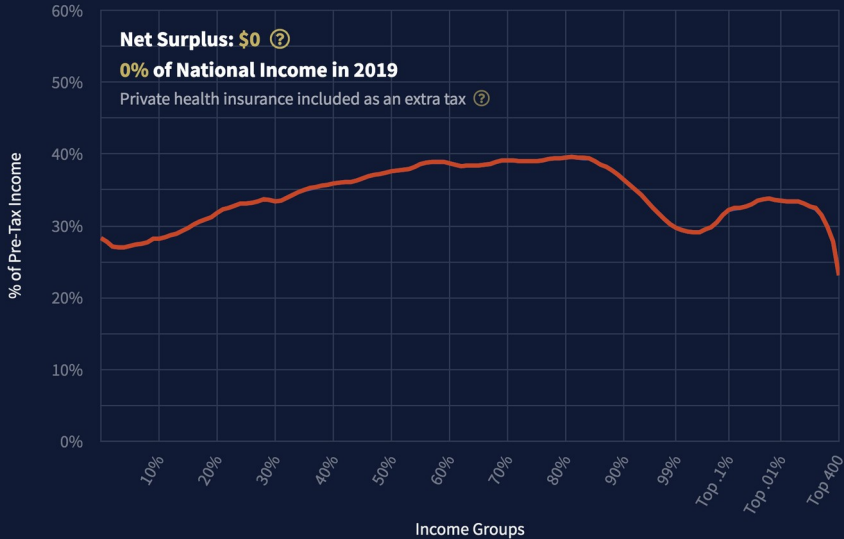
TAX JUSTICE NOW

BEGIN ↓

Starting from who pays what today

GRAPH VIEW: TAX RATES ? | TAX BREAKDOWN ?

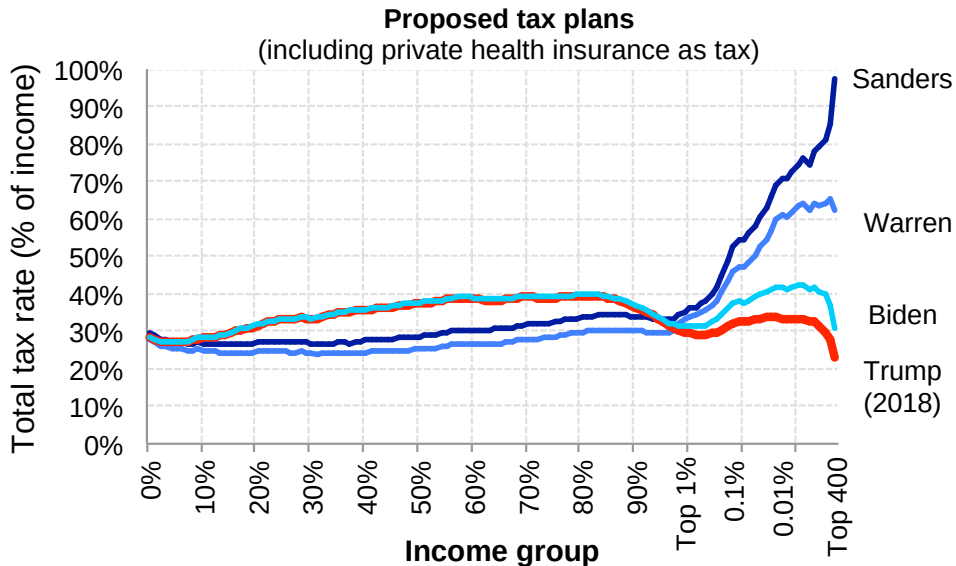
● Proposed Tax Reform ● Current Tax System



You can construct Warren's wealth



Tax simulator models the candidates Tax plans...



Summary of our reform: Taxing the rich

	Type of tax	Revenue (% of national income)
Wealth tax	2% rate above \$50 million	1.2%
	3.5% rate above \$1 billion	
	60% top marginal income tax rate	
Income tax	Full taxation of dividends & K gains	1.7%
	Integration with corporate tax	
Corporate tax	30% effective US corporate tax rate	1.2%
	25% country-by-country minimum tax	
Total		4.1%

Summary of our reform: A fairer social state

	Type of tax / spending	Revenue (% of national income)
Abolish health care poll tax	\$8,000 for currently-covered workers	-6.0%
	\$8,000 for the currently uninsured	
Education for all	Public child care and early education	-1.0%
	Free tuition for public universities	-0.5%
Abolish sales taxes	Eliminate sales taxes and Trump tariffs	-2.3%
National income tax	Flat 6% rate	5.6%
Total		-4.1%
