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DOUBLING OF MONTANA BILLIONAIRES WEALTH DURING THE PANDEMIC — ALMOST ALL TAX-FREE—SHOWS NEED FOR BIDEN'S INVESTMENT & TAX PLANS

4 State Billionaires Enjoyed a $5 Billion Jump in Wealth Since Pandemic Began

Havre, MT — Montana's four billionaires increased their wealth during the pandemic by 41%—from $12.9 billion since the start of the pandemic on March 18, 2020, to $18.2 billion on Aug. 17 of this year, according to a report from Americans for Tax Fairness (ATF) and Health Care for America Now (HCAN) analyzing *Forbes* wealth data, and released by Big Sky 55+. [See table below]

This billionaire bonanza demonstrates what's wrong with our current economic and tax systems, as Democrats in Congress try to remedy some of the glaring inequities by advancing a $3.5 trillion budget package, which has passed the U.S. Senate and the U.S. House. Senator Tester was the only member of the Montana delegation to support the bill, which closes tax loopholes and increases taxes on wealthy people making over $400,000 in order to fund investments in jobs, healthcare and the economy.

If it becomes law through the budget reconciliation process this fall, it will aid Montana communities and working families by making healthcare, eldercare, childcare, housing and education more affordable, investing in clean energy, expanding the Child Tax Credit and providing 12 weeks of paid family and medical leave. It will be paid for by making the wealthy and corporations pay their fair share of taxes, and it will not raise taxes on anyone making under $400,000 a year.

The report found that U.S. billionaire wealth overall grew by 62% during the pandemic, or by **$1.8 trillion**, rising from $2.95 trillion on March 18, 2020, to $4.77 trillion on Aug. 17, 2021, when there were 708 billionaires. (The full data set is here.) That increased wealth, which will not be taxed unless billionaires sell their assets, would pay for more than half of Biden's 10-year **$3.5 trillion** investment package.

Billionaire	Net Worth Mar. 18, 2020 ($ Millions)	Net Worth Aug. 17, 2021 ($ Millions)	17 Month Wealth Growth ($ Millions)	17 Month % Wealth Growth	Wealth Source	Industry
MONTANA TOTAL	**$12,900**	**$18,201**	**$5,301**	**41.1%**		
Dennis Washington	$5,500	$6,772	$1,272	23.1%	construction, mining	Logistics
Austen Cargill, II.	$2,700	$4,692	$1,992	73.8%	Cargill	Food & Beverage
Marianne Liebmann	$2,700	$4,692	$1,992	73.8%	Cargill	Food & Beverage
Linda Pritzker	$2,000	$2,046	$46	2.3%	hotels, investments	Service

Sources: March 18, 2020 data: Forbes, "Forbes Publishes 34th Annual List Of Global Billionaires" March 18, 2020August 17, 2021 data: Forbes, "The World's Real-Time Billionaires, Today's Winners and Losers," accessed August 17, 2021.

“This report shows why we need the entire state congressional delegation to support the Build Back Better plan being debated in Washington right now,” said **Jacob Bachmeier, program director**, **Big Sky 55+**. “That plan will invest $3.5 trillion in working families and our communities by making the rich and corporations pay their fair share of taxes. It will provide the funding we need to create thousands of good-paying jobs in Montana and help people afford healthcare, eldercare, childcare, education, housing and more. This comes at a critical time, when regressive bills passed the Montana legislature last session, giving more tax breaks to our most wealthiest residents.”

“It’s time that lawmakers prioritize working people by rewarding work not wealth and closing huge tax loopholes.'' said **Greg Jergerson, member Big Sky 55+**. “President Biden’s plan levels the playing field and ensures that everyone in America, not just the rich and corporations, can get a fair shot at a good-paying job, affordable health care and a real opportunity at a better future. Biden’s plan won’t raise taxes on anyone earning under $400,000, meaning that 99% of Americans and 97% of small business owners won’t pay any more in taxes while the rich and corporations will finally pay a fairer share.”

The state’s billionaire wealth bonanza over the past 17 months is all the more appalling when contrasted with the devastating impact of coronavirus on working people. In Montana: 247,045 have lost jobs, over 120,000 have been sickened by the virus, and over 1,700 have died from it.

President Biden’s investment proposals contained in the Senate and House-passed budget resolutions would significantly improve Montana residents’ health by making private insurance in the Affordable Care Act (ACA) exchanges more affordable; expanding Medicare to cover dental, vision and hearing benefits; increasing long-term care benefits to help people afford home and community-based services; and lowering the cost of prescription drugs by giving Medicare the authority to negotiate lower prices with drug corporations.

Biden’s proposed investments would reduce health insurance premiums for 9 million people. An average 60-year-old in Montana making $55,000 annually would save over $600 on their *monthly* premium for an ACA insurance policy. The cost of extending these subsidies is $163 billion over 10 years, per the Treasury Department.

While these investments in healthcare would benefit millions of Americans and save money in the long run, the ballooning wealth of billionaires benefits no one but the super-rich. That’s because the current tax code is riddled with loopholes and special breaks that allow the super wealthy to avoid paying their fair share of taxes.

Due to one of the tax code’s biggest loopholes, increased wealth enjoyed by Montana billionaires can go untaxed forever. The same is true for all asset growth, which is the primary source of income for the rich. The virtual tax-free status of billionaire wealth growth was highlighted recently by a report from ProPublica. It estimated that 25 top billionaires paid on average just 3.4% of their wealth-growth in federal income taxes and that several, including Jeff Bezos (worth $188 billion on Aug. 17) and Elon Musk (worth $175 billion), went multiple recent years paying zero federal income tax.

Even when taxed, the top tax rate on income generated from wealth (such as the sale of stock or a business or a famous painting) is only about half that of wage income—20% vs. 37%. President Biden would end those special breaks on the wealth-growth income of millionaires and billionaires as part of his tax-reform package. Following are Biden’s tax reforms expected to be a part of budget reconciliation legislation to be voted on in the fall, many of which will ensure Montana billionaires start paying closer to their fair share to taxes:

- **Tax wealth like work.** People with more than $1 million a year in income will have to pay a top tax rate on the sale of stock and other assets that is the same as the top rate workers pay on wages. Biden also will close a loophole that often allows the wealthy to avoid paying taxes on investment gains for their entire lives. These reforms will raise $325 billion.
- **Restore the top individual tax rate to 39.6% and stop avoidance of taxes by wealthy business owners that are used to fund healthcare.** These two reforms will together raise $370 billion.
- **Crack down on tax evasion by the wealthy, which will raise $700 billion.**
- **Raise the corporate tax rate from 21% to 28%, leaving it still far below the 35% rate in 2017.** Corporate taxes are largely paid by the owners of corporations, the stockholders. Billionaires are among the wealthiest 1% that own over half of all corporate stock. This reform will raise nearly $900 billion.
- **Curb offshore corporate tax dodging by eliminating incentives to outsource jobs and shift profits to tax havens.** This reform will raise more than $1 trillion.

A more direct way to tax billionaire wealth is to tax the wealth itself instead of just its growth. If the wealth tax proposed by Sen. Elizabeth Warren had been in effect in 2020, the nation's billionaires alone would have paid $114 billion for that year—and would pay an estimated combined total of $1.4 trillion over 10 years.

Poll after poll shows that Americans of all political persuasions and by large majorities believe that the wealthy and big corporations need to start paying their fair share of taxes. A June poll by ALG Research and Hart Research shows 62% of voters support Biden's proposed $4 trillion (at the time) investments in healthcare, childcare, education, clean energy and more—paid for by higher taxes on the rich and corporations.

March 18, 2020 is used as the unofficial beginning of the coronavirus crisis because by then most federal and state economic restrictions responding to the virus were in place. March 18 was also the date that Forbes picked to measure billionaire wealth for the 2020 edition of its annual billionaires' report, which provided a baseline that ATF and HCAN compare periodically with real-time data from the Forbes website. PolitiFact has favorably reviewed this methodology.

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Big Sky 55+ is a Montana grassroots organization that represents citizens 55 and older. Big Sky 55+ advocates for public policies like Medicaid, Medicare, Social Security, tax fairness and investments that provide for aging people while laying the groundwork for future generations. Big Sky 55+ is a state partner of Health Care for America Now (HCAN).

Health Care for America Now (HCAN) is a grassroots coalition of state and national groups that led the fight to pass the landmark Affordable Care Act (ACA). Healthcare Over Wealthcare is a campaign of Health Care for America Now that advocates for prioritizing investments in equitable, affordable healthcare for everyone over tax breaks for the rich and corporations. Follow us on Twitter @HCAN.

Americans for Tax Fairness (ATF) is a diverse campaign of more than 420 national, state and local endorsing organizations united in support of a fair tax system that works for all Americans. It has come together based on the belief that the country needs comprehensive, progressive tax reform that results in greater revenue to meet our growing needs. This requires big corporations and the wealthy to pay their fair share in taxes, not to live by their own set of rules.