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THIS TAX DAY, VIRGINIA WORKING FAMILIES ARE PAYING THEIR FAIR SHARE BUT VIRGINIA BILLIONAIRES ARE NOT

*State's 8 Billionaires Have Grown \$34 Billion, or 92%, Richer
Since 2017 Trump-GOP Tax Overhaul—But Those Gains May Never Be Taxed*

*Democrats' Proposed Special Billionaire Taxes Could Deliver Up to \$1.3 Billion
A Year to Virginia If Distributed Like Current Federal Grants*

VIRGINIA – Virginia's 8 billionaires have grown \$34 billion, or 92%, richer since enactment in 2017 of a tax law that was heavily slanted towards the rich, according to Forbes data [analyzed by Americans for Tax Fairness](#) (ATF). But in what may come as a shock to people in Virginia who've just finished filing their taxes, under current law, none of those billions of dollars in wealth gains may ever be taxed.

Nationwide, America's billionaires [were collectively nearly twice as rich](#) on April 1 of this year as they were when the Republican tax law was enacted a little over six years ago: their collective fortune doubled from \$2.9 trillion to \$5.8 trillion. Virginia billionaires were together worth almost \$71 billion on April 1.

"In Virginia and across the country this Tax Day, hard-working Americans know in their gut that the tax code isn't fair," said David Kass, ATF's executive director. "The untaxed explosion of billionaire wealth is a prime indicator of a rigged system. Addressing the scandal of low- and non-taxed billionaires could be a first step towards a better, fairer tax system overall."

There are current efforts to permanently extend parts of the 2017 law that expire at the end of next year, which would only further lock in the ability of billionaires and other ultra-wealthy people to dodge their fair share of taxes. But there's also a movement to start [annually taxing the wealth gains](#) of the nation's very wealthiest households—including most prominently billionaires—a reform that could result in up to \$1.3 billion more in federal grants every year for a decade for Virginia (based on the recent distribution of federal funds to the states).

Because of loopholes in current law, billionaires often pay little or no federal income tax. An expose by ProPublica based on IRS data revealed that Elon Musk, Jeff Bezos and other top [billionaires paid zero federal income tax](#) in several recent years. It determined that the top 25 billionaires paid just a 3.4% tax rate between 2014 to 2018 when the growth in their wealth is counted as income.

Name	Net Worth Dec. 30, 2017 (\$ Millions)	Net Worth Apr. 1, 2024 (\$ Millions)	Wealth Growth (\$ Millions)	Wealth Growth (Percent)
VIRGINIA	\$36,800	\$70,734	\$33,934	92.2%
Jacqueline Mars	\$25,900	\$38,458	\$12,558	48.5%
Pamela Mars	N/A	\$9,620	N/A	N/A
Michael Saylor	N/A	\$5,001	N/A	N/A
Winifred J. Marquart	\$3,700	\$4,906	\$1,206	32.6%
Daniel D'Aniello	\$2,900	\$4,242	\$1,342	46.3%
William Conway Jr	\$2,900	\$3,762	\$862	29.7%
Steve Case	\$1,400	\$2,386	\$986	70.4%
Richard Fairbank	N/A	\$1,224	N/A	N/A
Craig Abod	N/A	\$1,136	N/A	N/A

Source: Forbes data from Dec. 30, 2017, and April 1, 2024, analyzed by Americans for Tax Fairness and available [here](#).

Under current rules, increases in asset values (“capital gains”) are only taxed when the asset is sold. But billionaires and other hyper-wealthy people [don’t need to sell to benefit](#): they can use their rising fortunes to secure low-interest loans and live luxuriously tax-free. And when those gains are inherited by the next generation, [thanks to another loophole](#), they simply disappear for tax purposes.

[President Biden](#) and the chief tax writer in the U.S. Senate, [Ron Wyden](#) (D-OR), have both put forth legislation to annually tax the wealth gains of the nation’s very wealthiest households. The president’s plan would raise \$503 billion in tax revenue over 10 years, while the proposal from Wyden, the chairman of the Senate Finance Committee, would raise \$557 billion.

If that revenue was distributed to the states in accordance with recent historical levels of federal grants, Virginia [could gain](#) every year for 10 years about \$1.2 billion –from the Biden plan—or \$1.3 billion, from the Wyden proposal. This is based on budget data from the National Association of State Budget Officers. Between 2021 and 2023, federal grant funds made up an average of 34.2% of Virginia’s state budget.

Federal grants to states help [pay for numerous programs and services](#): healthcare (Medicaid and CHIP); childcare; food and nutrition (SNAP, WIC); education (Head Start, Title I and IDEA); housing; transportation (highways, airports, and mass transit), public safety and much more. These funds represent nearly one-third of state budgets on average and nearly one-quarter of state and local budgets combined. Additional funds generated by a billionaires income tax could be used to lower costs to the state’s working families for all these vital services.

That \$1.2 billion or \$1.3 billion a year (depending on the plan adopted) in federal grants [would add about](#) 1.6% or 1.8% to the state’s budget, respectively, based on an average of the state’s budgets between 2021 and 2023.

Billionaires in Virginia and around the country have flourished under the 2017 tax law because it [mostly benefited the wealthy](#). It has failed to offer the benefits to working families that were promised and will wind up adding some [\\$2 trillion to the national debt](#). That figure would be larger if the law had not included several provisions that were made temporary. Most of those temporary measures are due to run out at the end of next year, but efforts are underway to make them permanent. Permanent extension of all the expiring provisions [would add almost \\$4 trillion](#) more to our debt.

Among the expiring provisions that would mostly or exclusively benefit the very wealthy, including billionaires, if they were permanently extended:

- A cut in the tax rate charged on the highest income households (in 2024, [over \\$730,000 per couple](#)), from 39.6% to 37%;
- An enfeebled estate tax that allows inheritance of huge family fortunes (in 2024, over \$27 million per couple and slated to rise each year) to go completely untaxed. If this provision is allowed to expire on schedule, the estate-tax exemption would revert to a still quite generous but somewhat more reasonable [estimated \\$14.5 million per couple](#).
- A weakened Alternative Minimum Tax, which is meant to prevent the highest-income households from exploiting loopholes and special breaks to whittle down their tax bills.
- A special rule that allows non-corporate businesses to subtract 20% of their profits before figuring their taxes. In 2019, over half of this tax cut went to business owners in households with [over \\$800,000 in annual income](#).

There is a contrasting effort to allow the provisions benefiting households making over \$400,000 a year to expire on schedule. President Biden and Congress have already [raised taxes on the biggest corporations](#) and on wealthy investors and cracked down on wealthy tax cheats. They have proposed further reforms that would result in the rich and corporations paying more in taxes, not less.

Among the reforms President Biden [has repeatedly proposed](#):

- Boosting the corporate tax rate from 21% to 28%, half way back to where it was before the Trump-GOP tax law. (This reform alone would raise \$1.35 trillion over 10 years)
- Increasing a wealthy investors' tax from 3.8% to 5%. (\$797 billion)
- Cracking down on the offshoring of corporate profits. (\$715 billion)
- Ending the nearly half-off tax discount on investment income over \$1 million. (\$289 billion)
- Expanding restriction on excessive corporate pay for top executives. (\$272 billion)