new consensus

The Billionaire Wealth Tax

Endorsing the Sanders–Khanna bill, with eight amendments to make it inescapable

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New Consensus endorses the Make Billionaires Pay Their Fair Share Act, introduced by Senator Bernie Sanders and Representative Ro Khanna in March 2026 (S. 3956 / H.R. 7767).[1] It is the strongest wealth tax ever put before Congress, and its core idea is right: the fortunes of America's 938 billionaires[2] have grown into a standing threat to both our democracy and our economy, and taxing those fortunes directly is the beginning of the answer.

The case for acting is older than this Congress and bigger than this bill. Across all of recorded history, as the historian Walter Scheidel documented, concentrations of wealth like today's have almost never been unwound peacefully: the leveling has come from mass-mobilization war, violent revolution, state collapse, or plague, the forces he calls the Four Horsemen.[3] The broad mid-century prosperity Americans remember was built on the fiscal wreckage of two world wars, when top tax rates passed 90 percent and the greatest fortunes lost more than nine-tenths of their value. Since 1980 the concentration has rebuilt itself, to the point that the summer of 2026 produced the world's first trillionaire.[4] And artificial intelligence is now wired to the pile: as AI displaces work on a mass scale while the wealth it creates flows to the same few thousand balance sheets, a moment is coming when Americans in their millions will be demanding fundamental change. The answer will arrive either as policy or as catastrophe.

New Consensus is publishing its answer at three scales. This endorsement is the near lane: we take the strongest bill now before Congress and improve it. Alongside it we publish the American Jubilee, our plan to harvest everything above $100 million in the United States and capitalize the rebuilding of American industry, and the Global Jubilee, the same harvest proposed to the whole world as the peaceful alternative to the leveling history otherwise delivers. The three are one program, and this bill is its floor.

We endorse it as a floor, not a ceiling. And because we want it to work rather than just make a statement, we have done what, to our knowledge, no tax-law review has yet done: read all 3,542 lines of the bill[5] and stress-tested it against the tactics that billionaires' lawyers will actually use. The architecture is sound. Several provisions are stronger than anything ever tried in Europe. But as drafted, the bill has openings that would let much of the money escape, and it lacks the machinery to survive its first court

[1] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[2] Office of Senator Bernie Sanders, "Sanders and Khanna Introduce Legislation to Tax Billionaire Wealth and Invest in Working Families," press release, March 2, 2026, https://www.sanders.senate.gov/press-releases/news-sanders-and-khanna-introduce-legislation-to-tax-billionaire-wealth-and-invest-in-working-families/. The count of 938 billionaires, their $8.2 trillion combined net worth, and the $4.4 trillion ten-year revenue estimate (an analysis by economists Emmanuel Saez and Gabriel Zucman) are the sponsors' figures.

[3] Walter Scheidel, *The Great Leveler: Violence and the History of Inequality from the Stone Age to the Twenty-First Century* (Princeton University Press, 2017): "Across recorded history, the periodic compressions of inequality brought about by mass mobilization warfare, transformative revolution, state failure, and pandemics have invariably dwarfed any known instances of equalization by entirely peaceful means." On the mid-century data: France's top 0.01 percent of estates lost well over 90 percent of their value between 1914 and 1945 (Scheidel, chapters 4 and 5); the top US income tax rate reached 94 percent in 1944-45: Tax Policy Center, "Historical Highest Marginal Income Tax Rates," https://taxpolicycenter.org/statistics/historical-highest-marginal-income-tax-rates.

[4] Al Jazeera, "SpaceX IPO Debuts in US Markets; Musk Becomes World's First Trillionaire," June 12, 2026, https://www.aljazeera.com/economy/2026/6/12/spacex-ipo-debuts-in-us-markets-musk-becomes-worlds-first-trillionaire; Forbes, "Musk Is a Trillionaire Again: SpaceX and Tesla Boost Net Worth by $50 Billion," June 29, 2026, https://www.forbes.com/sites/tylerroush/2026/06/29/musk-is-a-trillionaire-again-spacex-and-tesla-boost-net-worth-by-50-billion/. As of early July 2026, Forbes estimated Musk's net worth at $1.05 trillion and the Bloomberg Billionaires Index at $982 billion.

[5] The count refers to the Government Publishing Office plain-text edition of S. 3956 as introduced, https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm.

challenge. Every one of these problems can be fixed by amendment without touching the bill's design. We propose eight.

What the bill does

The bill places an annual 5 percent tax on the net worth of anyone whose fortune exceeds $1 billion. It reaches worldwide assets, nets out debts, treats married couples as one taxpayer, and creates something the United States has never had: a federal wealth registry, with third-party reporting on large private holdings. It mandates that the IRS audit at least half of all billionaires every year, and it imposes a 60 percent exit tax on any billionaire who renounces citizenship to escape it.[6]

The proceeds fund things Americans need built: the bill builds seven million affordable homes, caps childcare at 7 percent of family income, sets a $60,000 minimum salary for teachers, expands Medicare benefits, reverses the 2025 Medicaid cuts, and sends a $3,000 direct payment to every person in households making $150,000 or less.[7]

One clarification, because the bill's own summaries blur it: the 5 percent applies to a billionaire's entire net worth once it crosses $1 billion, not just the amount above the line.[8] Elon Musk, who became the world's first trillionaire when SpaceX went public in June 2026, would owe roughly $50 billion in year one on a fortune hovering around $1 trillion.[9]

What the bill gets right

Three provisions deserve to be singled out, because they answer the standard objection that wealth taxes always fail.

The registry. Europe's wealth taxes lost their base where they relied on self-reporting and kept it where third parties reported asset values directly. Denmark's third-party-reported wealth tax saw almost no evasion;[10] Switzerland's self-reported one lost roughly 43 percent of its base for every percentage point

[6] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[7] "Make Billionaires Pay Their Fair Share Act: Summary," Office of Senator Bernie Sanders, March 2026, https://www.sanders.senate.gov/wp-content/uploads/Wealth-Tax-Bill-Summary.pdf; and S. 3956, Titles II through VIII.

[8] S. 3956, section 2901(a), imposes the tax on "the net value of assets held by the taxpayer," with no exclusion for the first $1 billion. The sponsors' own summary confirms the reading: it applies 5 percent to Elon Musk's full net worth, then estimated at $833 billion, to produce a $42 billion tax bill.

[9] Al Jazeera, "SpaceX IPO Debuts in US Markets; Musk Becomes World's First Trillionaire," June 12, 2026, https://www.aljazeera.com/economy/2026/6/12/spacex-ipo-debuts-in-us-markets-musk-becomes-worlds-first-trillionaire; Forbes, "Musk Is a Trillionaire Again: SpaceX and Tesla Boost Net Worth by $50 Billion," June 29, 2026, https://www.forbes.com/sites/tylerroush/2026/06/29/musk-is-a-trillionaire-again-spacex-and-tesla-boost-net-worth-by-50-billion/. As of early July 2026, Forbes estimated Musk's net worth at $1.05 trillion and the Bloomberg Billionaires Index at $982 billion.

[10] Katrine Jakobsen, Kristian Jakobsen, Henrik Kleven, and Gabriel Zucman, "Wealth Taxation and Wealth Accumulation: Theory and Evidence from Denmark," Quarterly Journal of Economics 135, no. 1 (2020), https://academic.oup.com/qje/article/135/1/329/5584349.

of tax.[11] The bill builds the Danish machinery: a national wealth registry fed by banks, brokers, and companies rather than by billionaires' own declarations.[12]

The audit floor. The bill requires the IRS to audit at least 50 percent of billionaires annually.[13] No previous proposal, including Senator Warren's, set the floor that high.[14]

The exit tax. A billionaire who renounces citizenship pays 60 percent on the way out, which turns leaving into just another way of paying. When Norway tightened its exit tax in 2024, departures among its very wealthiest fell from 43 the year before to 8 in the first ten months of 2024.[15]

The eight amendments

Our review found three escape routes, two collection problems, and two legal exposures, plus one arithmetic cliff. The fixes below draw on designs already published by the bill's own economic architects, Emmanuel Saez and Gabriel Zucman, and on Senator Warren's Ultra-Millionaire Tax Act. This is not a rival plan; it is the same plan, finished.

1. Close the trust pipeline.

Under the bill, every trust is its own taxpayer with its own $1 billion threshold. A $5 billion fortune split into six trusts with different beneficiaries owes nothing.[16] And the bill does not attribute completed gifts back to the giver, which leaves open the single largest wealth-transfer device in American life: the zeroed-out GRAT, a trust maneuver that lets a billionaire pass assets to adult children at almost no gift-tax cost. The mechanics deserve one sentence, because they sound impossible: the billionaire puts appreciating stock into a short-term trust, takes back annuity payments the IRS values as exactly equal to what he put in, so the taxable gift is zero, and everything the assets earn beyond a low statutory interest rate passes to his children free of transfer tax. It is legal and routine, and estate lawyers run GRATs in chains, one after another, for decades. They have cost the Treasury roughly $100 billion in avoided gift and estate taxes

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[11] Marius Brülhart, Jonathan Gruber, Matthias Krapf, and Kurt Schmidheiny, "Behavioral Responses to Wealth Taxes: Evidence from Switzerland," American Economic Journal: Economic Policy 14, no. 4 (2022), https://www.aeaweb.org/articles?id=10.1257/pol.20200258. The study finds reported wealth changes by at least 43 percent per percentage point of wealth tax after six years.

[12] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[13] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[14] Ultra-Millionaire Tax Act, S. 510, 117th Congress, https://www.govinfo.gov/content/pkg/BILLS-117s510is/html/BILLS-117s510is.htm. Warren's bill taxes trusts from the same $50 million threshold as individuals, treats all trusts with substantially the same beneficiaries as a single taxpayer, sets a 30 percent annual audit floor, and imposes a 40 percent exit tax.

[15] Norwegian Ministry of Finance figures reported to the Storting, November 2024, via Altinget, https://www.altinget.no/lovebakken/statsradensvarer/15297. Within the ministry's sample of Norwegians who have held net wealth above 100 million kroner, 43 moved abroad in 2023 and 8 in 2024 through October 15; the exit-tax rules were tightened in March 2024.

[16] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

since 2000.[17] The fix starts with Warren's: tax trusts at $50 million and aggregate trusts with common beneficiaries.[18] Then go further: attribute recent gifts back to the living funder, and reach back to the bill's introduction date, because the bill is public now, every estate-planning practice in America has had since March to restructure around it, and an anti-avoidance rule that starts at enactment ratifies everything done in the meantime.

2. Ban valuation discounts and adopt formulaic valuation.

Courts routinely let families claim that stakes in their own private holding companies are worth 25 to 40 percent less than the underlying assets, on the theory that minority stakes are hard to sell.[19] In practice, the family wraps $1 billion of stock in a family limited partnership, hands each heir a minority stake, and appraises the stakes at a discount because no outsider would buy a minority position in the family's own shell. A fortune the market can price to the dollar becomes, for tax purposes, $700 million, and at a 5 percent rate that single appraisal erases $15 million of tax every year, forever. Applied across the billionaire class, discounts like these would quietly strip hundreds of billions from the base. The amendment bans discounts for self-created structures, requires valuation by published formula, and adds a retrospective true-up when assets are eventually sold. The true-up does the enforcement work: if the sale price shows the earlier valuations were low, the difference is collected with interest, which converts undervaluation from a strategy into a loan from the government at a bad rate. Saez and Zucman have already published the core of this design.[20] The bill should adopt its own economists' blueprint.

3. Count controlled philanthropy.

Wealth moved into a private foundation, donor-advised fund, or purpose trust that the donor still controls drops out of the tax base while staying under the donor's command. The template is the Patagonia maneuver of 2022: the founding family moved ownership of the company into a purpose trust and a 501(c)(4) that it continues to steer, a move that eliminated transfer taxes while the family gave up none of the practical control.[21] Applied at billionaire scale against this bill, a fortune "given away" into a family-run structure would exit the tax base entirely on the day the registry opens, while the structure went on buying the same influence and voting the same shares, with the same family on the payroll. The amendment applies a control test that measures command rather than generosity: philanthropic assets stay in the base until an independent board, not the donor's family, genuinely holds the keys. This also

[17] Zachary Mider, "Accidental Tax Break Saves Wealthiest Americans $100 Billion," Bloomberg, December 17, 2013, https://www.bloomberg.com/news/articles/2013-12-17/accidental-tax-break-saves-wealthiest-americans-100-billion. The estimate is by Richard Covey, the attorney who invented the technique.

[18] Ultra-Millionaire Tax Act, S. 510, 117th Congress, https://www.govinfo.gov/content/pkg/BILLS-117s510is/html/BILLS-117s510is.htm. Warren's bill taxes trusts from the same $50 million threshold as individuals, treats all trusts with substantially the same beneficiaries as a single taxpayer, sets a 30 percent annual audit floor, and imposes a 40 percent exit tax.

[19] See, for example, York Howell & Guymon, "Valuation Discounts," white paper, 2015, https://www.yorkhowell.com/wp-content/uploads/2015/08/White-Paper-on-Valuation-Discounts-8.14.15.pdf, which puts typical combined lack-of-control and lack-of-marketability discounts at 25 to 45 percent.

[20] Emmanuel Saez and Gabriel Zucman, "Progressive Wealth Taxation," Brookings Papers on Economic Activity, Fall 2019, https://www.brookings.edu/articles/progressive-wealth-taxation/.

[21] David Gelles, "Billionaire No More: Patagonia Founder Gives Away the Company," New York Times, September 14, 2022, https://www.nytimes.com/2022/09/14/climate/patagonia-climate-philanthropy-chouinard.html. Voting control passed to the Patagonia Purpose Trust and the nonvoting shares to the Holdfast Collective, a 501(c)(4); the structure avoided gift and estate taxes while the Chouinard family continues to guide both entities.

fixes a drafting error that, as written, arguably taxes bona-fide charitable trusts.[22]

4. Look through insurance wrappers and add a trailing tail.

Private placement life insurance is a legal fiction wearing a straight face: a hedge-fund portfolio is placed inside an "insurance policy," whereupon its gains compound untaxed, its holdings drop out of ordinary reporting, and the whole thing eventually passes to heirs tax-free as a death benefit. The Senate Finance Committee's own investigation found at least $40 billion wrapped this way for a clientele of only a few thousand families,[23] and a new annual wealth tax would make the wrapper more valuable overnight. Senator Wyden has already drafted the look-through rule that treats the policyholder as the direct owner of the assets inside; import it.[24] And add a 10-year worldwide tax tail on expatriates, a stronger version of the trailing liability Germany already imposes on emigrants to tax havens,[25] so that even a paid exit is not a clean one.

5. Allow payment in shares.

The bill demands cash every April, with no installment plan and no deferral.[26] A founder whose wealth is entirely stock must sell roughly 6.6 percent of it each year to net 5 percent after capital gains tax,[27] and forced annual sales at that scale invite three problems at once: they put downward pressure on markets, they force founders into a slow surrender of control, and they create the single most sympathetic plaintiff a constitutional challenge could ask for. The amendment lets taxpayers pay in kind, transferring shares directly to the Treasury, with five-year installments for genuinely illiquid estates, on the model of the five-year payment schedule in California's Proposition 40.[28] There is even a clean precedent: Belgium collected its postwar levies in corporate stock, with the government undertaking not to sell the shares without first offering them back to the issuing company.[29] Payment in kind protects markets and ends the liquidity objection before it reaches a courtroom. It also puts publicly held equity to public use.

[22] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[23] United States Senate Committee on Finance, majority staff investigation of private placement life insurance, February 2024, https://www.finance.senate.gov/imo/media/doc/ppli_report_final.pdf. The investigation found at least $40 billion in policies held by only a few thousand individuals.

[24] United States Senate Committee on Finance, "New Wyden Bill Would Close Private Placement Life Insurance Tax Shelter Abused by the Ultra-Rich," April 2026, https://www.finance.senate.gov/ranking-members-news/new-wyden-bill-would-close-private-placement-life-insurance-tax-shelter-abused-by-the-ultra-rich. The Protecting Proper Life Insurance from Abuse Act treats the holder of an abusive policy as the direct owner of the assets inside it.

[25] Aussensteuergesetz (German Foreign Tax Act), section 2, https://www.gesetze-im-internet.de/astg/__2.html. Germany extends tax liability for ten years over citizens who emigrate to low-tax jurisdictions while keeping substantial economic ties to Germany.

[26] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[27] Assumes a founder with a cost basis near zero paying the top federal rate on long-term capital gains of 23.8 percent (20 percent plus the 3.8 percent net investment income tax): netting 5 percent of the fortune requires selling about 6.6 percent of it, before any state tax.

[28] Brian Galle, David Gamage, Emmanuel Saez, and Darien Shanske, expert report on the California billionaire tax initiative (Proposition 40), February 2026, via the Institute on Taxation and Economic Policy, https://itep.org/expert-report-on-the-california-2026-billionaire-tax-revenue-economic-and-constitutional-analysis/; California Legislative Analyst's Office, analysis of Initiative 2025-024, https://lao.ca.gov/BallotAnalysis/Initiative/2025-024. Proposition 40, which qualified for the November 3, 2026 ballot in June 2026, levies a one-time 5 percent tax on billionaires' worldwide net worth, payable in five annual installments of 1 percent, with a rate that ramps linearly from zero at $1 billion to the full 5 percent at $1.1 billion.

[29] Charles P. Kindleberger, *A Financial History of Western Europe* (George Allen & Unwin, 1984), on Belgium's 1944-45 special taxes: they "could be paid by corporations issuing capital stock to the Belgian government, which undertook not to sell it without offering it first to the issuing company."

6. Fund the IRS up front.

The bill funds enforcement with a share of what it collects, which arrives after the enforcement has to happen.[30] The 2026 IRS has lost more than a quarter of its staff and nearly a third of its auditors.[31] Administering this law means several hundred complex valuations a year, each contested by the best-paid lawyers in the country; the Michael Jackson estate valuation alone took nearly eight years of litigation.[32] The amendment appropriates the buildout in advance and phases implementation: the registry and reporting come online in year one, and assessment begins in year two. The phasing matters because the registry is the foundation everything else stands on: a year of third-party reporting produces the baseline valuations that make the assessments defensible in court, instead of asking a diminished agency to appraise a thousand contested fortunes cold. Denmark's experience is the proof that the machinery, once built, does the work by itself.[33]

7. Fix the cliff.

Because the tax hits the entire fortune at the moment it crosses $1 billion, crossing the line triggers an instant bill of about $50 million a year. Cliffs are ugly, and they change behavior at exactly the wrong margin. Every fortune approaching the line acquires a nine-figure incentive to stop growing on paper, split itself, or disappear into the structures described above, and the bill's critics get a mathematically true talking point that one more dollar of growth can cost $50 million. California's Proposition 40 solved the same problem with a rate that ramps smoothly from zero at $1 billion to the full 5 percent shortly above it.[34] The ramp costs almost nothing in revenue and deletes an entire genre of objection. Adopt it.

8. Add a severability clause and a fallback.

The Supreme Court's decision in Moore v. United States left at least four justices on record demanding that income be realized before it is taxed,[35] and the bill contains no severability clause and no fallback design.[36] One adverse ruling zeroes the entire statute, and the whipsawing has a recent precedent: the Corporate Transparency Act, a far more modest transparency law, spent years bouncing between

[30] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

[31] Treasury Inspector General for Tax Administration, "Snapshot Report: Status of the IRS's Workforce as of January 2026," report 2026-IE-R009, June 2026, https://www.tigta.gov/sites/default/files/reports/2026-06/2026ier009fr.pdf. TIGTA reports a net staffing decrease of 28 percent between January 2025 and January 2026, with about a third of revenue agents gone.

[32] Estate of Michael J. Jackson v. Commissioner, T.C. Memo. 2021-48 (United States Tax Court, May 3, 2021). The IRS challenged the estate's valuations in 2013; the Tax Court decided the case in May 2021.

[33] Katrine Jakobsen, Kristian Jakobsen, Henrik Kleven, and Gabriel Zucman, "Wealth Taxation and Wealth Accumulation: Theory and Evidence from Denmark," Quarterly Journal of Economics 135, no. 1 (2020), https://academic.oup.com/qje/article/135/1/329/5584349.

[34] Brian Galle, David Gamage, Emmanuel Saez, and Darien Shanske, expert report on the California billionaire tax initiative (Proposition 40), February 2026, via the Institute on Taxation and Economic Policy, https://itep.org/expert-report-on-the-california-2026-billionaire-tax-revenue-economic-and-constitutional-analysis/; California Legislative Analyst's Office, analysis of Initiative 2025-024, https://lao.ca.gov/BallotAnalysis/Initiative/2025-024. Proposition 40, which qualified for the November 3, 2026 ballot in June 2026, levies a one-time 5 percent tax on billionaires' worldwide net worth, payable in five annual installments of 1 percent, with a rate that ramps linearly from zero at $1 billion to the full 5 percent at $1.1 billion.

[35] Moore v. United States, 602 U.S. 572 (2024), https://www.supremecourt.gov/opinions/23pdf/22-800_jg6o.pdf. Justice Barrett, joined by Justice Alito, concurred only in the judgment on the ground that income must be realized before it can be taxed under the Sixteenth Amendment; Justice Thomas, joined by Justice Gorsuch, dissented on the same ground.

[36] Make Billionaires Pay Their Fair Share Act, S. 3956, 119th Congress, introduced March 2, 2026, https://www.congress.gov/bill/119th-congress/senate-bill/3956; full text at https://www.govinfo.gov/content/pkg/BILLS-119s3956is/html/BILLS-119s3956is.htm. The wealth tax is Title I (new Internal Revenue Code sections 2901 through 2904, plus the enforcement mandate in section 102 of the Act). The House companion, H.R. 7767, was introduced by Representative Ro Khanna on March 3, 2026.

nationwide injunctions and reinstatements before its enforcement was gutted altogether.[37] A wealth tax will draw a better-funded attack on the day it passes. The amendment provides that if the levy is held to be an unapportioned direct tax, it converts automatically to a mark-to-market income tax on the same taxpayers. With that clause, the litigation stops being a fight over whether billionaires pay and becomes a fight over which tax they pay. A statute built this way can lose a round in court and keep taxing the same fortunes.

The honest arithmetic

The sponsors score the bill at $4.4 trillion over ten years.[38] Independent estimates run lower: the Tax Foundation says $3.3 trillion,[39] the American Enterprise Institute $2.3 trillion,[40] and critics in the Summers tradition argue for less still.[41] The difference is almost entirely a bet on avoidance, and the amendments above are what decide that bet. Without them, the skeptics will be right; with them, the sponsors will be much closer.

Even at half the sponsors' number, this would be among the largest progressive revenue measures ever seriously scored in the United States. And a shrinking billionaire tax base is not a failure of the policy; it is the policy.

The floor, not the ceiling

Massachusetts passed a millionaires' surtax in 2022. It has raised twice what was projected, $3 billion in the last fiscal year,[42] while the state's millionaire population grew 30 percent.[43] This November, Californians vote on Proposition 40, a one-time 5 percent tax on billionaire wealth.[44] The direction of

[37] *Texas Top Cop Shop, Inc. v. Garland*, No. 4:24-cv-478 (E.D. Tex., December 3, 2024), the first nationwide preliminary injunction against Corporate Transparency Act enforcement, followed by months of stays, reversals, and re-impositions; FinCEN then exempted all US domestic reporting companies by interim final rule in March 2025, https://www.fincen.gov/news/news-releases/fincen-removes-beneficial-ownership-reporting-requirements-us-companies-and-us.

[38] Office of Senator Bernie Sanders, "Sanders and Khanna Introduce Legislation to Tax Billionaire Wealth and Invest in Working Families," press release, March 2, 2026, https://www.sanders.senate.gov/press-releases/news-sanders-and-khanna-introduce-legislation-to-tax-billionaire-wealth-and-invest-in-working-families/. The count of 938 billionaires, their $8.2 trillion combined net worth, and the $4.4 trillion ten-year revenue estimate (an analysis by economists Emmanuel Saez and Gabriel Zucman) are the sponsors' figures.

[39] Garrett Watson and Alex Durante, "How Much Revenue Would Senator Sanders' Wealth Tax Proposal Really Raise?," Tax Foundation, March 5, 2026, https://taxfoundation.org/blog/bernie-sanders-wealth-tax-billionaires/.

[40] Kyle Pomerleau, "Senator Sanders's Wealth Tax Won't Raise $4.4 Trillion," American Enterprise Institute, March 2, 2026, https://www.aei.org/economics/senator-sanderss-wealth-tax-wont-raise-4-4-trillion/.

[41] Lawrence H. Summers and Natasha Sarin, "Be Very Skeptical About How Much Revenue Elizabeth Warren's Wealth Tax Could Generate," Washington Post, June 28, 2019, https://www.washingtonpost.com/opinions/2019/06/28/be-very-skeptical-about-how-much-revenue-elizabeth-warrens-wealth-tax-could-generate/.

[42] The Massachusetts Department of Revenue certified Fair Share surtax collections of $2.46 billion in fiscal 2024 and $2.99 billion in fiscal 2025: Commonwealth of Massachusetts, "Fiscal Year 2025 Revenue Collections Totaled $43.708 Billion," July 2025, https://www.mass.gov/news/fiscal-year-2025-revenue-collections-totaled-43708-billion. Pre-vote projections were about $1.3 billion a year: Center for State Policy Analysis, Tufts University, "Evaluating the Massachusetts Millionaires Tax," 2022, https://cspa.tufts.edu/node/406.

[43] People's Policy Project, "Do Millionaire Surtaxes Lead to Millionaire Exodus?," November 17, 2025, https://www.peoplespolicyproject.org/2025/11/17/do-millionaire-surtaxes-lead-to-millionaire-exodus/; Institute for Policy Studies, "Wealth Expands After Higher State Taxes on High-Income Earners," April 2025, https://www.ips-dc.org/report-wealth-expands-after-higher-state-taxes-on-high-income-earners/. The figures count residents with $1 million or more in net worth.

[44] Brian Galle, David Gamage, Emmanuel Saez, and Darien Shanske, expert report on the California billionaire tax initiative (Proposition 40), February 2026, via the Institute on Taxation and Economic Policy, https://itep.org/expert-report-on-the-california-2026-billionaire-tax-revenue-

the country's tax debate is visible, and the Sanders-Khanna bill is its strongest current expression in Congress.

New Consensus endorses it and urges the eight amendments above. And we place the bill where it belongs, as the floor of a larger program. A 5 percent annual tax slows the concentration of wealth into a permanent American oligarchy; it does not yet reverse it. Reversal is the work of the American Jubilee, our plan to harvest everything above $100 million and pay for the Mission for America with it, and of the Global Jubilee, the same offer extended to the world. The road has a destination, and this bill is where it starts.

economic-and-constitutional-analysis/; California Legislative Analyst's Office, analysis of Initiative 2025-024, https://lao.ca.gov/BallotAnalysis/Initiative/2025-024. Proposition 40, which qualified for the November 3, 2026 ballot in June 2026, levies a one-time 5 percent tax on billionaires' worldwide net worth, payable in five annual installments of 1 percent, with a rate that ramps linearly from zero at $1 billion to the full 5 percent at $1.1 billion.