

## Biden Budget Tax Proposals: Details & Analysis | Tax Foundation

Provision	Change in GDP	Change in GNP	Change in Capital Stock	Change in Wages	Change in Full-time Equivalent Jobs
Raise the top tax rate on individual income to 39.6%	-0.10%	-0.10%	-0.10%	0%	-86,000
Tax unrealized capital gains at death over \$5 million and tax capital gains over \$1 million at 39.6%	-0.20%	-0.90%	-0.40%	-0.20%	-59,000
Limit 1031 like-kind exchanges to \$500,000 in gain	Less than -0.05%	Less than -0.05%	Less than -0.05%	Less than -0.05%	-2,000
Expand the net investment income tax base to active pass-through business income	-0.20%	-0.10%	-0.50%	-0.20%	-51,000
Raise the net investment income tax rate from 3.8% to 5% and raise the additional Medicare tax from 0.9% to 2.1%	-0.30%	-0.30%	-0.40%	-0.10%	-190,000
Tax carried interest as ordinary income	Less than -0.05%	Less than -0.05%	Less than -0.05%	Less than -0.05%	-4,000
Impose new limits on large retirement account balances and increase minimum required distributions and misc. taxes on saving	Less than -0.05%	-0.10%	Less than -0.05%	Less than -0.05%	-7,000
Tighten estate tax rules	Less than -0.05%	Less than -0.05%	Less than -0.05%	Less than -0.05%	-3,000
Raise the corporate tax rate from 21% to 28%	-0.90%	-0.60%	-1.70%	-0.80%	-192,000
Increase the corporate book minimum tax rate from 15% to 21%	-0.10%	-0.10%	-0.10%	-0.10%	-12,000
Raise the stock buyback excise tax from 1% to 4%	-0.10%	-0.10%	-0.20%	-0.10%	-21,000
Changes to the international tax system	-0.10%	-0.10%	-0.10%	-0.10%	-15,000
Limit executive compensation deductibility under Section 162(m)	-0.10%	-0.10%	-0.10%	0%	-106,000
Misc. corporate tax increases	Less than -0.05%	Less than -0.05%	-0.10%	Less than -0.05%	-5,000
Make permanent the pass-through loss limitation and misc. pass-through tax increases	Less than -0.05%	Less than -0.05%	-0.10%	Less than -0.05%	-9,000
Make the American Rescue Plan Act EITC expansion permanent and make the CTC fully refundable	Less than -0.05%	Less than -0.05%	Less than -0.05%	Less than -0.05%	-24,000
Impact of spending and budget deficit	0%	0.50%	0%	0%	0
<b>Total Economic Effect</b>	<b>-2.20%</b>	<b>-1.90%</b>	<b>-3.80%</b>	<b>-1.60%</b>	<b>-788,000</b>