

# **Billionaires and their fair share**

**Steve Bakke**  **April 29, 2023**



Our President is leading the charge to discredit or cast aspersions on wealthy Americans to create a class warfare wedge issue for the next election.

Here are quotes by the President reflecting his “class-warfare” mischief: If you make a billion or a million dollars, God love you. But just pay something. No, I mean it sincerely. Just pay something”.....The average tax” for billionaires is “about 3%,” (he’s alternated between 3% and 8%) which is “a lower tax than a schoolteacher or a firefighter.” The President also believes billionaires “ought to pay a minimum tax of 25%. It’s about fairness”

The Tax Foundation can shed some light on those statements in its “Summary of the Latest Federal Income tax Data, 2023 Update.” In 2020 (the most recent data shown), the top 1% of taxpayers paid a 25.99% average rate. If 25% is OK with the President what’s his complaint?

It’s also worth noting that the top 1% paid 42.3% of all individual federal income taxes collected. The top 5% of income earners paid 62.7% of the total, and the top 10% of earners paid 73.7%. The top 50% of all taxpayers paid 97.7% of all federal individual income taxes. I’m actually surprised by how large those percentages are.

Politics is inherently sloppy and cruel when it comes to characterizing the competition. Therefore, while it’s perfectly fair to conclude that the rich don’t pay enough taxes, or that tax rates are too low, make sure your opinions are based on accurate data.

**Steve Bakke**  
**Retired CPA & Commercial Finance Executive**  
**6055 Blake Ridge Road**  
**Edina, MN 55436**  
**612-590-1853**