Twitter Thread by Avik Roy

Avik Roy
@Avik

Describing taxes paid as a share of wealth as a "true tax rate" is...untrue, given that the U.S. doesn't have a wealth tax. I appreciate that @ProPublica may support a wealth tax, but this framing is deceptive. As a share of income, the percentages would look much different.

> 4/ Rather, these IRS records show the wealthiest can\u2014perfectly legally\u2014pay income taxes that are only a tiny fraction of the hundreds of millions, if not billions, their fortunes grow each year. pic.twitter.com/T04W3be5SQ
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> — ProPublica (@propublica) June 8, 2021

The U.S. actually has the most progressive tax code in the developed world, because we don't have a national sales or consumption tax (i.e., a VAT). https://t.co/DL6xhJBSzF

Just to correct my initial tweet, the @ProPublica framing is about taxing unrealized capital gains, not total net worth. Still non-factual to describe that as a "true tax rate."

Now, if @ProPublica wanted to do a study of every industrialized country's tax codes, and what percentage of each country's tax revenue is contributed by the top 1% / 10% / 25%, *that* would be useful.

Another useful exercise would be to contemplate how much the @federalreserve's unprecedented monetary expansion has increased wealth inequality. https://t.co/1iNoHDTXqL