

AMENDMENT TO RULES COMMITTEE PRINT 119-

22

OFFERED BY MR. THOMPSON OF CALIFORNIA

At the end of subtitle D of title XII, add the following:

1 **SEC. 12414. BILLIONAIRE'S TAX.**

2 (a) IN GENERAL.—Section 1 of the Internal Revenue
3 Code of 1986 is amended by adding at the end the following new subsection:

4 “(k) BILLIONAIRE'S TAX.—

5 “(1) IN GENERAL.—In the case of any person
6 subject to tax under subsection (a), (b), (c), (d), or
7 (e) and whose taxable income exceeds
8 \$1,000,000,000, the tax imposed under such subsection shall be equal to the sum of—

9 “(A) the tax imposed under such subsection (determined without regard to this subsection) on taxable income not in excess of
10 \$1,000,000,000, plus

11 “(B) the applicable percentage of the excess of taxable income over \$1,000,000,000.

12 “(2) APPLICABLE PERCENTAGE.—

1 “(A) IN GENERAL.—For purposes of this
2 subsection, the applicable percentage with re-
3 spect to any taxable year is the percentage de-
4 termined by the Secretary with respect to such
5 year under this paragraph.

6 “(B) ANNUAL DETERMINATION.—Not
7 later than September 30 of each calendar year,
8 the Secretary shall determine and publish the
9 applicable percentage for taxable years begin-
10 ning in the following calendar year.

11 “(C) REVENUE TARGET.—The Secretary
12 shall set the applicable percentage at a level
13 projected to raise \$200,000,000,000 in Federal
14 revenue over the 10-taxable-year period begin-
15 ning with the first taxable year to which such
16 determination applies.

17 “(D) LIMITATIONS.—The applicable per-
18 centage shall not be less than 35 percent and
19 shall not exceed 70 percent.

20 “(E) METHODOLOGY.—In determining the
21 applicable percentage, the Secretary shall—

22 “(i) use the most recent baseline rev-
23 enue and economic projections of the Con-
24 gressional Budget Office and the Joint
25 Committee on Taxation,

1 “(ii) account for behavioral responses
2 and compliance effects, and

3 “(iii) apply assumptions consistent
4 with those used for Federal budget en-
5 forcement purposes.

6 “(F) ADJUSTMENTS.—If the Secretary de-
7 termines that the applicable percentage pre-
8 viously set will not meet the revenue target de-
9 scribed in subparagraph (C), the Secretary may
10 adjust such percentage for subsequent taxable
11 years, subject to the limitations in subpara-
12 graph (D).

13 “(G) PUBLICATION.—The Secretary shall
14 publish each determination under this para-
15 graph in the Federal Register, including a de-
16 scription of the methodology and assumptions
17 used in making such determination.”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall apply to taxable years beginning after
20 December 31, 2026.

