Progressive Tax Fairness and Revenue Protection Act

To close tax loopholes, ensure ultra-wealthy individuals and large corporations pay their fair share, and generate $250–350 billion annually without raising taxes on the working class.

Section 1. Short Title

This Act may be cited as the **"Progressive Tax Fairness and Revenue Protection Act of 2025."**

Section 2. Findings and Purpose

(a) Congressional Findings:
Congress finds that:

1. The United States tax code contains hundreds of provisions that disproportionately benefit the wealthiest 1% of individuals and the largest multinational corporations.
2. As of 2025, the top 1% of households hold over 30% of national wealth, yet effective tax rates for billionaires have fallen below those of working-class Americans.
3. Tax evasion and avoidance through offshore accounts, pass-through entities, and unrealized capital gains deprive the federal government of hundreds of billions in annual revenue.
4. A fairer, more transparent, and equitable tax system is essential to support public investment in infrastructure, health care, education, and climate resilience.

(b) Purpose:
The purpose of this Act is to:

- Restore fairness to the U.S. tax system;
- Close loopholes that allow tax avoidance by the ultra-wealthy and large corporations;
- Introduce a surcharge on extreme wealth and offshore earnings;
- Strengthen IRS enforcement;
- Generate $250–350 billion in new annual revenue without increasing taxes on middle- and working-class families.

Section 3. Corporate Tax Loophole Closures

(a) Eliminate Offshoring Incentives:
Amend the Internal Revenue Code of 1986 to:

1. Repeal provisions allowing the deferral of tax on income of controlled foreign corporations (CFCs).
2. Institute a global minimum corporate tax of 21% aligned with OECD recommendations.

(b) End Accelerated Depreciation Abuses:
Limit or repeal bonus depreciation schedules that allow immediate write-offs for high-value corporate assets without economic depreciation.

(c) Tax Stock Buybacks:
Impose a 2% excise tax on net stock buybacks by publicly traded companies, building on the 1% passed in the Inflation Reduction Act.

Section 4. Ultra-Wealth Tax on Billionaires

(a) Annual Wealth Assessment and Surcharge:
Establish a 2% annual tax on net assets above $50 million and a 3% annual tax on assets above $1 billion for individuals and households.

(b) Valuation and Compliance:
Require annual asset reporting, including valuations of financial assets, real estate, trusts, and private equity holdings, with IRS guidance.

Section 5. Close Capital Gains Loopholes

(a) End "Step-Up in Basis":
Amend the IRC to eliminate stepped-up basis at death for assets exceeding $5 million per individual or $10 million per married couple.

(b) Parity Between Capital and Labor Income:
Raise long-term capital gains and qualified dividend tax rates for individuals earning over $1 million annually to match top ordinary income rates (up to 39.6%).

Section 6. Strengthen IRS Enforcement

(a) Enhanced Auditing and Oversight:
Authorize $80 billion over 10 years for IRS enforcement focused on high-net-worth individuals and large corporations.

(b) Mandatory Disclosure of Offshore Holdings:
Require all U.S. taxpayers with offshore accounts exceeding $250,000 to report annual holdings and earnings.

Section 7. Revenue Allocation and Use

The revenue generated by this Act — estimated at $250 to $350 billion annually — shall be deposited into the **American Public Investment Trust Fund**, to be used for:

- Universal child care and education subsidies
- National high-speed rail and infrastructure modernization
- Affordable housing construction
- Medicare expansion and cost reduction
- Rural broadband and green energy transition investments

Section 8. Severability

If any provision of this Act or its application is held invalid, the remainder shall not be affected.

Section 9. Effective Date

This Act shall take effect on January 1, 2026.
