

Table T20-0109
Senator Sanders's Tax Plan: Impact on Tax Revenue of Sanders Medicare for All Tax Plan, 2021-30 by Fiscal Year and Total for FY2031-40 1
Baseline: Current Law

Proposal	Fiscal Year (\$ billions)											
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2021-30	2031-40
Individual Income and Payroll Taxes												
Increase the top individual marginal tax rate to 52 percent on income above \$10 million	9.5	14.5	15.6	17.1	17.9	13.2	11.9	12.4	12.5	13.0	137.6	221.2
Tax capital gains at the same rate as wages and crack down on gaming through derivatives, like-kind exchanges, and the zero tax rate on capital gains pass on through bequest	-6.8	26.1	44.1	44.9	46.5	46.3	48.2	50.9	53.5	56.3	410.0	849.9
Replace the cap on state and local tax deductions with an overall dollar cap of \$50,000 for married couple on all itemized deductions	-28.5	-50.2	-54.0	-56.7	-59.7	7.6	55.2	59.4	64.0	68.1	5.2	960.2
A 4-percent income-based premium	258.8	362.5	381.5	399.5	418.4	415.4	426.6	445.1	464.3	484.0	4,056.1	6,188.6
Savings from health-related tax expenditures that would become less necessary under Medicare for All	322.7	479.6	509.2	541.4	574.1	643.2	698.4	740.0	781.4	827.7	6,117.7	11,185.5
An additional employer payroll tax of 7.5 percent	242.3	331.4	344.1	357.7	371.5	371.8	381.2	395.6	410.3	425.8	3,631.7	5,205.3
Total for individual income and payroll taxes	798.0	1,163.9	1,240.5	1,303.9	1,368.6	1,497.5	1,621.5	1,703.4	1,786.1	1,874.8	14,358.3	24,610.6
Estate and Gift/Wealth Taxes												
Increase top estate tax rates and close loopholes and create a new deduction of up to \$2 million for farm property	3.4	19.8	27.5	35.3	44.2	47.6	46.7	49.7	52.7	56.1	383.0	902.5
Total for estate and gift/wealth taxes	3.4	19.8	27.5	35.3	44.2	47.6	46.7	49.7	52.7	56.1	383.0	902.5
Interaction with provisions not dedicated to Medicare for All	-117.0	-171.6	-182.9	-135.9	-100.2	-100.1	-107.8	-118.8	-128.4	-142.7	-1,305.3	-2,262.5
Total revenue effect of plan	684.5	1,012.1	1,085.1	1,203.3	1,312.6	1,445.0	1,560.4	1,634.3	1,710.4	1,788.3	13,436.1	23,250.6
As a share of GDP ²	2.9	4.1	4.2	4.5	4.8	5.0	5.2	5.3	5.3	5.4	4.9	5.9

Source: Urban-Brookings Tax Policy Center Microsimulation Model (version 0319-2) and TPC estimates.

1. Baseline is the law currently in place as of March 18, 2020 (including provisions in the The Tax Cuts and Jobs Act and the Consolidated Appropriations Act of 2020). Unless otherwise noted, provisions are assumed effective 01/01/2021. Estimates include microdynamic behavioral responses. For a description of the provisions, see TPC's "An Analysis of Senator Sanders's Tax Proposals" (March 2020).

2. The GDP forecast is from the Congressional Budget Office (CBO). January 2020. *Budget and Economic Outlook: 2020 to 2030*, and long-run supplemental tables.