

U.S. DEPARTMENT OF THE TREASURY

U.S. Department of the Treasury Releases Greenbook, Outlining Tax Proposals to Reduce the Deficit, Expand Support for Working Families, and Ensure the Wealthy and Large Corporations Pay their Fair Share

March 9, 2023

[View the full Greenbook here.](#)

“This Budget builds on our economic progress by making smart, fiscally responsible investments, which would be more than fully paid for by requiring corporations and the wealthy to pay their fair share. The Budget’s growth-enhancing investments will continue the economic progress of the last two years and further boost the economy’s productive capacity.”

—Secretary of the Treasury Janet L. Yellen

WASHINGTON—Today, the U.S. Department of the Treasury released the General Explanations of the Administration's FY2024 Revenue Proposals, or “Greenbook,” a document to explain the revenue proposals included in President Joe Biden’s Budget. The Greenbook outlines critical tax proposals that will support President Biden’s investments in the American people by ensuring the wealthy and large corporations pay their fair share, providing relief to hard-working families, and continuing to reduce the deficit.

Under President Biden, the United States has experienced tremendous economic progress. The President’s strategy to grow our economy from the bottom up and the middle out has helped jumpstart one of the strongest economic recoveries in modern history, including the lowest unemployment rate in 54 years, the largest two-year job gains on record, and the strongest two years for small business creations in history. The President’s FY024 Budget will continue this momentum by continuing to lower costs for families, protecting and strengthening Social Security and Medicare, and reducing the deficit.

The Administration’s revenue proposals would ensure that the wealthy and large corporations pay their fair share and, in doing so, fully pay for the investments proposed in the President’s Budget while generating nearly \$3 trillion in additional deficit reduction over the next decade. The proposals would also provide relief by expanding tax credits for workers and families.

Key revenue proposals in the Greenbook would:

- **Ensure the wealthy and large corporations pay their fair share, by:**
 - **Implementing a global minimum tax** that will strengthen the taxation of corporations' foreign income by ensuring that all multinationals pay at least the minimum rate on their earnings in each jurisdiction, thereby stopping the race to the bottom on corporate tax rates and leveling the playing field for U.S. businesses.
 - **Implementing a Billionaire Minimum Tax** of 25 percent on the wealthiest taxpayers to ensure the top 0.01 percent pay taxes as they go, just like everyone else who earns a paycheck.
 - **Raising the tax rate on corporate stock buybacks** to help reduce the differential tax treatment between buybacks and dividends and encourage businesses to reinvest profits in their workers or in the company's growth.
 - **Closing Medicare tax loopholes and making the Medicare Trust Fund solvent for another quarter century** by expanding the Net Investment Income Tax on income over \$400,000 to cover all pass-through business income not otherwise covered by the Net Investment Income Tax or self-employment taxes, and by increasing the additional Medicare tax rate and the Net Investment Income tax rate by 1.2 percentage points above \$400,000 for a total Medicare tax rate of 5 percent on high-income taxpayers.

- **Provide relief to workers and families, by:**
 - **Expanding tax credits for health insurance premiums** that were first enacted in the American Rescue Plan and extended in the Inflation Reduction Act. As a result of these efforts to make health insurance more affordable, a record number of Americans have enrolled in insurance coverage through the Affordable Care Act marketplace and last year, the uninsured rate dipped to its lowest level in history.
 - **Expanding the Earned Income Tax Credit** to cover more workers without children.
 - **Expanding the Child Tax Credit and making it fully refundable and available in advance monthly**, a more practical solution to ensure that families can receive relief when they need it most instead of in one lump sum at the end of the year. In 2021, an expanded CTC lifted 2.1 million children out of poverty and helped bring about a historic low in child poverty.
 - **Expand and enhance the Low-Income Housing Tax Credit**, the largest federal incentive for affordable housing construction and rehabilitation, to boost the supply of housing that is affordable for low-income renters.

- **Make additional smart, common-sense reforms to the tax code.**

- **Eliminate fossil fuel tax preferences** that distort markets by encouraging more investment in the fossil fuel sector than would occur under a neutral system.
- **Close the carried interest loophole** that allows some investment fund managers to pay tax on their earnings as if they are investment gains rather than wages.
- **Close estate and gift tax loopholes** that allow the wealthy to reduce their tax by using complicated trust arrangements to transfer their assets to their heirs.

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