
Tax the Rich?

Link:

<https://stosselintheclassroom.org/both-sides-tax-the-rich/>

Guide:

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

Analysis Questions:

1. What are the opposing ideas in these two videos?
2. In the IE Insights video, Gabriel Zucman said that the very rich pay less in taxes as a fraction of their income than other income classes. If true, is that a bad thing? Why/Why not?
3. In the FEE video, Maggie Anders said: "Taxes don't just raise money, they also change behavior." What did she mean by that? What are some behaviors that might change due to taxes?
4. Gabriel Zucman said that the current tax system is "not sustainable." What did he mean by that? Why is it not sustainable?
5. According to Maggie Anders, in the mid-20th century, America's top income tax rates were much higher, but tax revenue as a share of the economy wasn't much different than it is today. What was her explanation for that?
6. According to Gabriel Zucman, what is the "easy" way that the very rich avoid paying income taxes?
7. According to Maggie Anders, after the top income tax rate was cut from 70% to 28%, "the share of income taxes paid by the top 1% actually went up." How is that possible?
8. Gabriel Zucman said that Jeff Bezos paid nothing in income taxes some years. If true, is that fair? Why/Why not?
9. Maggie Anders said that the year after Maryland implemented a "millionaire tax," the state collected \$100 million less in taxes. What was her explanation for that?
10. Gabriel Zucman argued that billionaires should be forced to pay a minimum tax each year. According to Zucman, what should that minimum be based on?
11. According to Maggie Anders, if the U.S. government confiscated the wealth of every U.S. billionaire, how long would it fund the federal government?

12. In the FEE video, we saw IRS data showing that the top 1% of earners paid 40.4% of all federal income taxes in 2022. Is that a reasonable amount? Did the top 1% pay too much? Did they not pay enough? Why/Why not?
13. Gabriel Zucman proposed a wealth tax as a solution to billionaires avoiding income taxes. What is the difference between a wealth tax and an income tax?
14. Maggie Anders argued for a system that would result in “a government that collects revenue from growth instead of punishment.” What did she mean by that?
15. According to Gabriel Zucman, how much revenue would a 2% wealth tax generate globally?
16. Did these two videos share any common ground? Were there any points on which they agreed? If so, what were they?
17. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
18. Did you have an opinion on this topic before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from these videos that affects your views on this topic?
19. What else would you like to learn about this topic?
20. For more on this topic, see the following editions of Both Sides of the Issue:
 - a. [Both Sides: Does America Need a Wealth Tax?](#)
 - b. [Both Sides: Should We Tax the Rich More?](#)