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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To impose a one-time tax on the amount in excess of \$10,000,000 of the net worth of certain individuals and trusts.

IN THE HOUSE OF REPRESENTATIVES

Mr. VARGAS introduced the following bill; which was referred to the Committee on _____

A BILL

To impose a one-time tax on the amount in excess of \$10,000,000 of the net worth of certain individuals and trusts.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Donald J. Trump
5 Wealth Tax Act of 2026”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) In 1999, then presidential candidate Donald
2 J. Trump said the following on Good Morning
3 America regarding his wealth tax plan: “If I were
4 president, it would be passed. I think if somebody
5 else is president, it probably can’t be... This is a tax
6 paid by 1 percent, but the 1 percent will be very big
7 beneficiaries with what’s going to happen and the
8 positive forces that would take place in the econ-
9 omy.”.

10 (2) In an interview with Sean Hannity on Fox
11 News in 2015, then presidential candidate Trump
12 described his 1999 wealth tax plan as “a very con-
13 servative thing to do.”.

14 (3) The proposed tax plan, according to then
15 presidential candidate Trump, was expected to raise
16 \$5.7 trillion and pay off the national debt in its en-
17 tirety at the time.

18 (4) Many prominent analysts and conservatives
19 have argued that reducing the national debt is cru-
20 cial for our economic health and prosperity:

21 (A) According to the Cato Institute, the
22 U.S. is running \$2 trillion deficits (more than
23 6 percent of GDP) with nearly \$30 trillion in
24 debt held by the public.

1 (B) As Senate Majority Leader John
2 Thune stated in an interview given in January
3 of 2025, “I would like to see us as a nation do
4 things that affect the long-term stability, future
5 of our kids and our grandkids... We’re in a fis-
6 cal mess, \$36 trillion in debt.”.

7 (C) As Elon Musk stated in September of
8 2024 in a podcast appearance, “We’re adding a
9 trillion dollars to our debt, which our kids and
10 grandkids are going to have to pay somehow...”.

11 (D) According to the GOP Platform in
12 2016, “Our national debt is a burden on our
13 economy and families. The huge increase in the
14 national debt demanded by and incurred during
15 the current Administration has placed a signifi-
16 cant burden on future generations. We must
17 impose firm caps on future debt, accelerate the
18 repayment of the trillions we now owe in order
19 to reaffirm our principles of responsible and
20 limited government, and remove the burdens we
21 are placing on future generations. A strong
22 economy is one key to debt reduction, but
23 spending restraint is a necessary component
24 that must be vigorously pursued.”.

1 (5) Since the beginning of the Global War on
2 Terror, the overseas operations in Iraq and Afghani-
3 stan, as well as other War on Terror-related activi-
4 ties, have added more than \$2 trillion to the na-
5 tional debt (according to figures by the Congres-
6 sional Research Service and the Congressional
7 Budget Office).

8 (6) The “One Big Beautiful Bill” is projected
9 to add more than \$3 trillion to our national debt
10 (according to the Congressional Budget Office).

11 (7) If the Donald J. Trump Wealth Tax raises
12 the \$5.7 trillion that President Trump expected it
13 would in 1999, it would reduce the debt-to-GDP
14 ratio from an estimated 101 percent to 83 percent
15 (according to the Congressional Research Service).

16 **SEC. 3. DONALD J. TRUMP WEALTH TAX.**

17 (a) TAX IMPOSED.—In the case of any applicable tax-
18 payer, there is hereby imposed a tax equal to 14.25 per-
19 cent on the excess (if any) of—

20 (1) the net worth of such taxpayer (determined
21 as of the date of the enactment of this Act), over

22 (2) \$10,000,000.

23 (b) APPLICABLE TAXPAYER.—For purposes of this
24 section—

1 (1) IN GENERAL.—The term “applicable tax-
2 payer” means—

3 (A) an individual who is a citizen or resi-
4 dent of the United States,

5 (B) the nongrantor portions of any domes-
6 tic trust, or

7 (C) the nongrantor portions of any foreign
8 trust which are properly allocable to one or
9 more beneficiaries who are citizens or residents
10 of the United States.

11 (2) NONGRANTOR PORTIONS.—The term “non-
12 grantor portions” means the portions of any trust
13 not treated as owned by any individual under sub-
14 part E of part I of subchapter J of chapter 1 of the
15 Internal Revenue Code of 1986.

16 (c) NET WORTH.—For purposes of this section—

17 (1) IN GENERAL.—The term “net worth”
18 means the fair market value of all assets as of the
19 date of the enactment of this Act, minus the value
20 of—

21 (A) any bona fide liabilities, and

22 (B) in the case of an individual—

23 (i) the principal residence of such in-
24 dividual (within the meaning of section

1 121 of the Internal Revenue Code of
2 1986), and

3 (ii) any acquisition indebtedness (as
4 defined in section 163(h)(3)(B) of such
5 Code) with respect to such residence.

6 (2) SPECIAL RULE FOR GRANTOR PORTIONS.—

7 The portions of any trust treated as owned by any
8 individual under subpart E of part I of subchapter
9 J of chapter 1 of the Internal Revenue Code of 1986
10 shall be taken into account in determining the net
11 worth of such individual.

12 (d) REGULATIONS.—The Secretary of the Treasury
13 shall prescribe such regulations or other guidance as may
14 be necessary or appropriate to carry out the purposes of
15 this section, including to provide for proper allocations
16 under subsection (b)(1)(C).

17 (e) APPLICATION OF CERTAIN RULES.—For pur-
18 poses of subtitle F of the Internal Revenue Code of 1986
19 (relating to procedure and administration), the tax im-
20 posed under this section shall be treated as a tax imposed
21 under subtitle D of such Code.