THE AMERICAN TAX PLAN

A Public-Return Tax Framework

Public Return and Work-Wealth Parity

A Reviewable Framework for Tax Responsibility Under Real Economic Power

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Integrated Framework v1.1 · Companion Materials v0.1

A working framework prepared for review and circulation — not a legislative proposal

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Preface — In Brief

The American tax system reaches work more reliably than it reaches wealth. Wages are withheld and reported in real time; appreciation can be deferred indefinitely, borrowed against without sale, and passed through inheritance with its basis stepped up so that a lifetime of gains never meets the income tax. This is not a claim that wealthy people break the law. It is a claim about the law itself: it taxes labor on a schedule it does not impose on capital. That gap between what the system declares about shared responsibility and what it produces in practice is a legitimacy problem, and rate adjustments alone do not fix it.

The **American Tax Plan** is a response to that problem. It is a *public-return tax framework* built on one premise: tax responsibility should follow real economic power, and public revenue should visibly return to the conditions that make ordinary life possible. It treats taxation not as punishment but as an obligation owed to the public systems — courts, contracts, infrastructure, monetary stability, enforcement — without which large-scale wealth cannot be accumulated, protected, transferred, or converted into power.

What this document is. A companion article that makes the framework legible to people who can test it or help develop it. It is deliberately not a finished bill. It is an *architecture*: a standard for legitimacy (public return), an alignment principle (work-wealth parity), a portfolio of policy mechanisms, a discipline for classifying its own claims, and a built-in commitment to correction.

What I am asking for. External review and institutional support for the next stage of development — not endorsement. The framework's most valuable feature is that it knows what it has not yet done, and most of what remains is work that requires partners: formal revenue scoring, constitutional review after *Moore v. United States*, administrative-feasibility analysis, tribal-sovereignty consultation, and hostile review by experts who can break it. Each unfinished piece below is, precisely, a place where the right collaborator would change the framework for the better.

Why it may be worth your time. Many tax proposals either become too cautious to guide action or too confident about claims that still require testing. This one is built to occupy a different position: ambitious in moral direction, disciplined in what it claims, and structured so that being corrected is a success condition rather than an embarrassment. It has already corrected itself once on its most important pillar — described in Section 7 — and that is the behavior I am asking reviewers and institutions to put under pressure.

A Note on Status and Limitations

This document is a **working framework**, not legislation. It is offered as a guide and a rallying point — something to be read, debated, adapted, and corrected — and it is deliberately honest about the stage it has reached. Naming what it has *not* yet done is part of its method, not an apology for it.

The framework has completed an internal empirical-sourcing phase: its eight load-bearing empirical claims have been classified, sourced, narrowed, or corrected against the public-finance and legal literature (the record is summarized in Appendix E and documented in the References). That work matters, because tax policy turns on empirical questions. But internal sourcing is not external validation, and the framework's honesty about its limits is also a map of where expert help would do the most good.

Specifically, this framework is **not**:

- formally scored or microsimulated (it withdrew an earlier \$2.0–\$2.4 trillion ten-year revenue figure and now asserts only that combined revenue potential is substantial but uncertain pending formal scoring);
- reviewed by qualified tax counsel and constitutional litigators (its most legally exposed provision, the Billionaire Minimum Income Tax, carries real and unresolved constitutional risk after *Moore v. United States*);
- validated through tribal-sovereignty consultation (the Tribal Sovereignty Interaction Annex is a consultation scaffold, not a finished annex, and the framework does not pretend consultation has occurred);
- tested by hostile external reviewers; nor
- ready for legislative use.

What the framework *is*: a coherent moral spine (work-wealth parity, public return, protected continuity, and corrigibility), a disciplined way of classifying and correcting its own claims, a portfolio of policy mechanisms designed so that the failure of any one does not collapse the whole, and a public-facing toolkit (Appendices B–D) that lets readers evaluate the framework — and other tax provisions — for themselves. It has already corrected itself once on its most important pillar, described in Section 7 below; that behavior, rather than any single provision, is what it asks reviewers to put under pressure.

The single largest caution is **premature canonization**. The framework is developed enough that it may be tempting to treat it as finished. It is not, and it says so throughout. The next stage is controlled external pressure-testing — legal review, hostile review, and tribal consultation — not adoption as settled policy.

How to Read This Document

The main text (Sections 1–12) is the argument: the standard the framework holds a tax system to, the idea of public return, the three duties tax policy serves, the principle of work-wealth parity, and the policy architecture that follows from them. Readers who want only the core argument can read Sections 1–4. Readers interested in policy design can begin at Section 6. Readers evaluating the framework's institutional readiness should read Sections 10–12.

The appendices contain the supporting apparatus. **Appendix A is the full technical specification** of the framework — seventeen numbered sections, each with its empirical sourcing, legal posture, and protected-continuity guardrails integrated. Appendices B–D are a public toolkit for evaluating any tax provision, with a worked example and a reusable template. Appendix E summarizes the empirical record; Appendix F records what the framework has withdrawn or reserved; Appendices G–H restate the provisions by function and the limits of what the document claims. A Glossary and a consolidated References section close the document.

1. The Standard: Judge a Tax System by the Conditions It Creates

A society should be judged not only by the values it declares but by the conditions it produces. The same is true of a tax system. It should be judged by whether public burdens track real economic power, whether revenue returns visibly to the conditions that sustain ordinary life, and whether the system corrects itself when it causes harm.

By that test, the American system is failing — not because of any single rate, but because of a structural asymmetry in how it reaches different kinds of economic activity.

For most working people, the system is direct and routine. Wages are reported, payroll taxes withheld, income taxed when earned. The worker meets the tax system at the paycheck. For concentrated wealth, the encounter is different and more negotiable. Gains can be deferred until sale, or never realized. Assets can be borrowed against without triggering tax. Appreciation can pass through an estate with a stepped-up basis. Wealth can move through trusts, partnerships, corporate entities, charitable vehicles, and offshore structures. Corporations can report profits to shareholders while reducing federal liability through deductions, credits, timing, and international planning.

The deeper problem is not that some people pay less. It is that the law asks workers to meet their obligations in real time while allowing concentrated wealth to negotiate with time itself. A system that reliably reaches wages but inconsistently reaches concentrated economic power tells ordinary people that responsibility is shared while letting the most powerful actors structure around it.

The framework begins from a different premise:

> *A tax system should not punish work while allowing concentrated wealth, corporate profit, inherited appreciation, and high-capacity avoidance to escape public responsibility.*

Taxes should be designed as public-return obligations, not as punishment. When people, corporations, and institutions benefit from the public systems that make accumulation possible, they owe something back to the conditions that made it possible. The state did not create every dollar of private wealth — but large-scale wealth cannot be accumulated, protected, transferred, enforced, financed, or converted into power without public conditions. The question is not whether the state created the wealth. It is whether concentrated economic power should contribute fairly to the conditions that secure it, and whether the revenue raised should visibly return to the conditions that hold ordinary life together.

2. Public Return: The Core Idea

Taxation carries two distinct legitimacy questions: *who should pay*, and *what is the money for*. Most tax debates collapse them. One camp argues almost entirely about burden distribution — who pays, at what rate, relative to whom. Another argues almost entirely about revenue need. Both matter; neither is sufficient. A system can raise revenue from the wrong places, and it can raise revenue defensibly and then fail to return it visibly to public conditions. Either failure erodes legitimacy.

Public return joins the two questions without confusing them: **tax responsibility should follow real economic power, and revenue should visibly return to the conditions that make ordinary life possible.** A tax system cannot defend itself merely by raising money; it must be able to show what the money does — whether it supports infrastructure, housing stability, health, education, public safety, disaster readiness, rural and tribal infrastructure, and public capacity.

This also distinguishes the framework from a punitive politics of wealth. The argument is not that wealth is immoral, that all inequality is injustice, or that the state has an unlimited claim on private holdings. It is narrower and, I think, stronger: when economic power depends on public conditions for its accumulation and protection, it carries public-return obligations — obligations scaled to capacity, guarded against collateral harm, and made visible through public accountability. A provision earns its place in the framework only if it serves a recognized public duty and can be corrected if evidence shows it failing.

3. The Three Duties: What Tax Policy Is For

The framework descends from a broader civic-resilience theory of government, which holds that just governance carries at least three duties: to prevent violence and structural harm before they become normal; to provide the foundational economic security ordinary life requires; and to build and maintain the infrastructure that carries communities through stress. Tax policy is one of the primary ways a society meets or fails these duties — it funds public conditions, and it distributes the burden of funding them.

Anti-violence governance means more than preventing physical violence. It includes preventing structural and institutional harm — when public systems misclassify people, extract from the vulnerable, or let powerful actors dominate others through legal complexity. In tax policy this appears as worker protection, audit-priority rules, limits on enforcement pressure against low-income filers, protections for tribal governments and treaty-protected assets, and anti-abuse rules aimed at high-capacity avoidance. A tax system can harm through administration — through audits, classification errors, inaccessible filing, enforcement asymmetry, and the unequal burden of compliance — not only through rates.

Foundational economic security is the condition under which ordinary people can act, plan, contest, and participate. A tax system undermines it when it raises pressure on workers while leaving concentrated wealth structurally advantaged. This appears in the worker-protection floor, EITC expansion, Direct File expansion, retirement and primary-residence protections, family-farm and small-business continuity, and the refusal to raise direct taxes on ordinary workers.

Infrastructure resiliency means public systems strong enough to carry communities through stress — roads, water, energy, health, housing, education, emergency response, and administration. This appears in the framework's public-return reporting: a tax system that raises revenue without showing its return cannot sustain its own legitimacy.

These duties clarify what the plan is *not*. It is not a program for equalizing outcomes, not a punitive measure against wealth as such, and not a generic progressive platform sorted by income decile. It funds the conditions just governance requires while distributing the burden according to who holds real economic power. A provision that serves none of these duties — or undermines them — does not belong, however much revenue it would raise.

4. Work-Wealth Parity and Real Economic Power

The framework's central alignment principle is **work-wealth parity**: at comparable economic capacity, income from labor and income from ownership should bear comparable tax. Current law violates this through preferential capital-gains rates, step-up in basis, deferral, and borrowing against assets without realization.

Parity does not mean taxing every asset every year as wages are taxed, nor sweeping ordinary retirement accounts, modest home appreciation, family farms, small businesses, or culturally significant property into the treatment designed for concentrated financial wealth. It means the system should not structurally privilege ownership income over labor income at the top of the distribution.

The framework locates responsibility using **real economic power** — the practical capacity to command resources, shape markets, defer or avoid obligations, preserve wealth across time, or shift costs onto others, whether or not that power appears as taxable income in a given year. This concept needs discipline, or it becomes an open-ended license to tax. The framework therefore binds it to thresholds, measurable indicators, public-return justification, protected-continuity guardrails, and correction triggers. Real economic power does not authorize unlimited taxation; it identifies where capacity actually exists when formal taxable income understates it.

Parity is also why the framework is a *portfolio* rather than a single instrument. The system's asymmetry is structural, so the response must be structural too: capital-gains parity, step-up reform, the extreme-wealth pillar, corporate taxation, and enforcement restoration each carry part of the principle that no single mechanism can carry alone.

5. Protected Continuity: What the Framework Must Not Harm

A framework aimed at concentrated wealth must not destabilize the people, institutions, and relations it claims to protect. Protected continuity is therefore a design constraint, not an afterthought. It covers ordinary workers and low- and middle-income households, family homes, retirement accounts, modest inheritances, family farms and ranches, small businesses, tribal governments and enterprises, trust lands, treaty-protected rights, culturally significant property, and genuine community assets.

These are not sentimental exemptions or political sweeteners. They are *threshold relations*: ordinary life depends on continuity of home, work, records, land, memory, culture, belonging, and intergenerational stability. Tax design that breaks those relations can cause harm out of all proportion to the revenue it raises.

Protected continuity matters especially because tax administration runs on categories — it classifies people, income, property, entities, addresses, valuation events, and eligibility. When a category is wrong, the burden of correction usually falls on the person or community misclassified. For most taxpayers that is a burden. For tribal governments, tribal members, tribal enterprises, trust lands, treaty-protected resources, and culturally significant property, misclassification can become a sovereignty harm. The framework therefore asks not only whether a provision is fair in the abstract, but whether it can be *administered* without turning protected relations into ordinary taxable objects or contestable classifications that communities lack the resources to fight. That question cannot be answered from inside the framework; it is one of the reasons external review is necessary.

6. The Policy Architecture

The American Tax Plan is a portfolio. Its pillars work together; the failure of any one does not collapse the whole.

Worker protection and filing access. No new direct tax increases on ordinary workers. The first layer of income needed for basic life is protected through deduction and exemption structures designed to avoid cliffs. The EITC is expanded, simplified, and made more accessible. Filing is free, simple, multilingual, and supported by an expanded Direct File so taxpayers can meet obligations without unnecessary private gatekeeping. Enforcement prioritizes high-dollar noncompliance — complex high-income, corporate, offshore, trust, and pass-through avoidance — rather than pressure on low-income filers claiming basic credits, absent evidence-based fraud risk reviewed under public audit-allocation standards.

Capital-gains parity. At high income levels, long-term capital gains and qualified dividends are taxed at ordinary rates; preferential rates remain for low- and middle-income investors and ordinary retirement accounts. This pillar faces a known problem — realization response, or lock-in, when higher rates lead taxpayers to delay selling. The framework does not rely on parity alone; it pairs parity with step-up reform and the extreme-wealth pillar so the system does not simply invite deferral. The aim is not a higher headline rate regardless of behavior, but a smaller structural preference for ownership income, designed around the avoidance it would otherwise provoke.

Step-up basis reform. Current law can let lifetime appreciation pass through inheritance untaxed by stepping up the asset's basis at death — so large unrealized gains disappear for income-tax purposes. The framework reforms step-up for large unrealized gains above high exemption thresholds, with protections for active farms and businesses, hardship situations, primary residences, and protected-continuity categories. This is among the most important mechanisms because it addresses the *terminal point* of deferral: if appreciation is never taxed in life and vanishes at death, the system has effectively exempted a major form of economic power. The reform must distinguish large-scale wealth transmission from protected continuity, and must not force the sale of family farms, small businesses, homes, tribal assets, or cultural property.

The extreme-wealth pillar. This pillar addresses the pattern often called *buy-borrow-die*: hold appreciating assets, borrow against them for liquidity without selling, and pass them through death with reduced or eliminated income-tax recognition. Its preferred instrument is a **Billionaire Minimum Income Tax (BMIT)**, structured as a minimum income tax with accelerated payment: for households above a very high net-worth threshold, the base includes realized income plus annual appreciation, with amounts paid on appreciation treated as prepayments of tax owed at realization — creditable against future liability and refundable if the eventual realized liability is smaller.

But BMIT is constitutionally contested after *Moore v. United States*, which upheld a related tax on narrow grounds and left unresolved whether realization is constitutionally required for income taxation. A future Court could treat a tax on unrealized appreciation as outside the income-tax power unless apportioned as a direct tax. That is not a drafting detail; it is a central design constraint. The framework therefore **does not stake the pillar on BMIT.** The *pillar* leads. BMIT is the preferred but contested instrument within it, conditional on counsel review and a defensible litigation path, and supported by a standing portfolio of parallel and fallback mechanisms: strengthened step-up reform, tightened capital-gains parity, restored enforcement, and international coordination against profit shifting. This preserves the reason BMIT exists — it reaches extreme wealth more directly than slower mechanisms — without betting the pillar's goal on BMIT's constitutional survival. (Section 7 explains how this posture was reached; it is the framework's clearest example of correction in practice.)

Corporate public-return taxation. Corporate profit depends on public systems — infrastructure, contract law, monetary stability, research, courts, communications, administration — so the framework treats corporate tax as a public-return obligation. The pillar includes a higher corporate rate, defense of a minimum-tax floor, stronger disclosure of effective tax rates, higher taxes on stock buybacks, and international coordination against profit shifting. The aim is alignment, not punishment. This pillar must be tested carefully for incidence: corporate taxes fall partly on capital and partly on labor depending on market structure, openness, and timing. The framework's internal empirical work supports a progressive burden-alignment claim within credible ranges, but that claim needs expert review, and the framework does not hide the question.

Enforcement restoration. A tax system is only as fair as its ability to enforce the rules it declares. Underfunded enforcement is not neutral — it leaves the easiest taxpayers visible while sophisticated noncompliance grows harder to detect. The framework restores enforcement capacity targeted at high-dollar noncompliance, complex avoidance, offshore structures, pass-throughs, trusts, and high-wealth planning, with guardrails: audit-priority rules, public reporting, protection for low-income filers, and correction when enforcement produces disparity. Enforcement is held as a double truth — expanded without safeguards, it becomes a domination risk; left unrestored, the code becomes optional for those with enough complexity.

Public-return and correction reporting. Revenue is tracked and public investment made visible, so the public can see how revenue supports the conditions ordinary life depends on. Major provisions must identify who measures performance, on what data, how often, and who has authority to revise, narrow, pause, or remove a provision that harms protected groups or loses its connection to public return. A system that cannot correct itself cannot sustain legitimacy.

7. Correction in Practice: What the Framework Has Already Changed

A framework's credibility rests not only on what it claims but on what it refuses to claim, and on whether evidence can move it. This one has already withdrawn, narrowed, or reserved several stronger claims.

It no longer presents itself as formally scored, and does not claim its revenue estimates equal a Joint Committee on Taxation score. It does not claim its distributional effects are fully proven across income deciles, that BMIT is legally settled, that its correction machinery guarantees correction in practice, or that it is ready for legislation. It places some mechanisms in reserve rather than lead status — a direct annual net wealth tax is reserved pending post-*Moore* legal review; a broad financial-transaction tax is not a lead instrument because its alignment with the moral spine is weaker and its incidence effects need more caution.

The clearest example is BMIT itself. It began as the central instrument for reaching extreme wealth. When the framework's own constitutional analysis surfaced serious post-*Moore* uncertainty, two failure modes were available:

abandon BMIT, or pretend the uncertainty was solved. The framework did neither. It resolved the question by running its own decision rubric — which already contained a precedent, in its treatment of the reserved net wealth tax, for how to handle a wealth-taxation instrument under unresolved law — and arrived at the conditional-lead portfolio posture described in Section 6. BMIT remains because it addresses a real problem directly; it does not carry the pillar alone because its constitutional footing is not settled. That is corrigibility working as designed: not an embarrassment, but the framework doing what it says a tax framework should do.

8. The Tribal Sovereignty Question

The framework names tribal governments, tribal enterprises, trust lands, treaty-protected rights, culturally significant property, and tribal community assets as protected-continuity categories. That language creates obligations it has not yet fully met. The framework therefore includes a **Tribal Sovereignty Interaction Annex as a consultation scaffold** — not a finished annex. It does not pretend consultation has occurred, and it does not substitute the author's or an assistant's voice for tribal governance expertise. Its purpose is to map the questions that must be answered before the framework can responsibly claim that its design respects tribal sovereignty.

This is a deliberate limit. Federal tax policy touches tribal sovereignty through many pathways — tribal-government tax status, tribal-enterprise entity form, trust and allotted land, treaty-protected rights, state-tax preemption, federal classification systems, and administrative implementation. A framework that fails to distinguish these risks flattening sovereignty into a carve-out. The framework's position is more demanding: **tribal sovereignty is not an exception to the plan; it is a condition the plan must meet to be legitimate.**

Real questions remain open. How should BMIT treat tribal assets, enterprise interests, treaty-protected resources, and cultural property? How should step-up reform handle trust land and cultural property? How should the corporate pillar distinguish tribal-government income, Section 17 entities, tribally chartered corporations, state-chartered tribal-owned corporations, and gaming enterprises? How should enforcement avoid misreading tribal identifiers, rural reservation addresses, entity structures, and income streams — and what correction route exists when it does? These cannot be answered from inside the framework. They require consultation, and that consultation is an open obligation, not a completed step.

9. Legal Uncertainty: The Post-Moore BMIT Problem

The framework's most legally exposed provision is BMIT, and it is treated as such rather than hidden.

The question is whether Congress may tax unrealized appreciation within an income-tax regime without apportionment. *Moore v. United States* upheld the Mandatory Repatriation Tax on narrow grounds and left the broader realization question unresolved — which matters directly, because BMIT's base includes annual appreciation. The framework strengthens BMIT's posture by characterizing payments on appreciation as accelerated prepayments of tax owed at realization, creditable and refundable, and by pairing BMIT with step-up reform so that deemed realization at death serves as a terminal realization event. It also identifies structural analogies to existing mark-to-market regimes — but treats them as analogies, not as constitutional safe harbors. The prepayment structure improves the argument; it does not eliminate the risk. A hostile court could look through the label and treat the tax as one on unrealized appreciation, raising a direct-tax/apportionment problem that could be fatal in practice.

The framework's response is not denial but design-under-uncertainty. BMIT stays because the problem it addresses is real. It does not carry the pillar alone because its footing is contested. This lets the framework enter legal review honestly: it does not ask reviewers to bless BMIT. It asks them to attack it — and to judge whether the conditional-lead posture is warranted, whether BMIT should move to reserve, or whether statutory design can make it defensible.

10. Why External Review, and What I Am Asking For

The framework has completed an internal empirical-sourcing phase. Its major claims have been classified, sourced, narrowed, or corrected; some supported the original direction, some required refinement, and at least one contested literature required methodological correction rather than simple validation. That work matters because tax policy turns on empirical questions — corporate-tax incidence, capital-gains elasticity, step-up revenue, post-TCJA profit shifting, audit allocation, asset-backed borrowing, taxpayer response to state-level taxation. But internal sourcing is not enough, and the framework's honesty about its limits is also a map of where help would do the most good.

Concretely, the project needs five kinds of partner:

1. **Constitutional and tax-law review.** BMIT and the realization question require qualified counsel and constitutional tax expertise. The framework's internal analysis is not legal advice and should not be used as such. This is the review that resolves BMIT's conditional status.
1. **Public-finance review.** Economists to test the incidence, elasticity, revenue, migration, investment, growth, and behavioral-response assumptions, and to specify what formal microsimulation and scoring would require.
1. **Tax-practitioner review.** Practitioners who know how high-net-worth planning actually responds to new rules — where the avoidance channels, valuation problems, entity-structuring responses, and hardship-rule abuses would emerge.
1. **Tribal governance review and consultation.** Substantive input from tribal governments, tribal governance experts, tribal citizens, and appropriate

counsel. The framework must not claim to protect tribal sovereignty without it.

1. **Editorial and institutional support.** Help translating the framework into its needed registers — a public version, a policy version, a technical appendix, a legal-risk memo, the tribal-sovereignty annex, and a review-response matrix — and the institutional backing to pursue formal scoring and modeling.

The framework already includes a hostile-review architecture built around exactly these tracks, including a track for libertarian-property and public-choice critics whose job is to attack its moral legitimacy, its institutional-risk profile, and the claim that public-return language imposes principled limits rather than licensing open-ended state expansion. It should not be reviewed only by people who share its premises. It should be reviewed by people who can break it.

The ask is narrow and specific: I am seeking external review, mentorship, and institutional support for the next stage of development — not endorsement. A finished proposal asks for adoption; that would be premature. A framework at this stage asks for engagement; that is timely. The goal is to determine, under expert pressure, what should be withdrawn, what should be narrowed, what requires more work, and what survives.

11. Contribution

The contribution here is not a new rate, a single revenue figure, or a claim that one mechanism solves tax inequality. It is a framework for tax *legitimacy* built on public return and work-wealth parity, and it offers five things:

It reframes tax policy around conditions rather than declarations — a system judged by whether its declared values become lived conditions. It separates revenue mechanisms from legitimacy mechanisms — raising money is not enough; public return must be visible and correctable. It treats protected continuity as a binding design constraint, so a framework aimed at concentrated wealth does not destabilize ordinary life, tribal sovereignty, family continuity, or community institutions. It treats corrigibility as a core feature rather than a concession — the framework is built to be corrected by evidence, review, consultation, and observed harm, and it has been. And it uses a portfolio architecture rather than a single heroic mechanism, so the failure of any one pillar does not collapse the whole.

That is the difference between a tax plan as a list of proposals and a tax plan as an architecture of public responsibility.

12. Conclusion

The American tax system reaches work more reliably than it reaches wealth. That single fact does not answer every policy question, but it names the legitimacy problem this framework exists to address. The response is a public-return standard — tax responsibility should follow real economic power, and revenue should visibly return to the conditions that make ordinary life possible — organized through work-wealth parity, protected continuity, correction, and a portfolio of mechanisms aimed at concentrated economic power without raising direct pressure on ordinary workers.

The framework is ambitious and incomplete, and it says so plainly. It is not formally scored. It is not legislation. BMIT is not constitutionally settled. Tribal consultation has not occurred. Distributional and administrative modeling remain to be done. None of this defeats the framework; it defines its stage. The work that remains is the work that partners and reviewers would do, and the framework is built to be improved by exactly that pressure.

The next step is not endorsement. The next step is review — and the invitation to provide it, or to help make it possible, is the purpose of this article.

Appendix A — The Integrated Framework (Full Technical Specification)

This is the American Tax Plan v1.1, the framework's main technical document. It is an integrated working framework, not a legislative draft. Each section names the duty it serves, the empirical sourcing behind its claims, and the protected-continuity guardrails and correction triggers attached to it. The accessible argument for the framework is in Sections 1–12 above; this appendix is the specification those sections describe.

I. The Standard This Plan Holds Itself To

A society should not be judged only by the values it declares. It should be judged by the conditions it creates. A tax system should not be judged only by what it declares about fairness, contribution, or shared responsibility. It should be judged by whether those values become lived conditions: whether the people who carry public burdens actually correspond to the people who hold real economic power, and whether the revenue raised visibly returns to the conditions that make ordinary life possible.

By that test, the American tax system is failing.

For most working people, taxation is direct, visible, and routine. Wages are reported. Payroll taxes are withheld. Income taxes are calculated on earned income. The worker meets the tax system at the paycheck.

For concentrated wealth, taxation often works differently. Wealth can be held in assets. Gains can be deferred. Appreciation is generally not taxed until sale. Assets can be borrowed against without triggering tax. Wealth can pass through estates, trusts, partnerships, corporate entities, charitable vehicles, or offshore structures. Large corporations can report profits to shareholders while using deductions, credits, timing rules, international planning, and book-tax differences to reduce actual tax paid.

This does not mean all wealthy people break the law.

It means the law itself often taxes work more reliably than wealth.

The gap between what the system declares and what it produces is the legitimacy problem. A tax code that says it values work and treats fairness as a public commitment, while structurally advantaging deferred wealth, inherited appreciation, and high-capacity avoidance, fails the values-to-conditions test on its own terms.

The American Tax Plan begins from a different premise:

A tax system should not punish work while allowing concentrated wealth, corporate profit, inherited appreciation, and high-capacity avoidance structures to escape public responsibility.

Taxes should not be designed as punishment. They should be designed as public-return obligations.

When people, corporations, and institutions benefit from roads, courts, contracts, infrastructure, public education, public safety, monetary stability, research, emergency response, and public legal systems, they owe something back to the conditions that helped make their accumulation possible.

The state does not create every dollar of private wealth. But large-scale wealth cannot be accumulated, protected, transferred, enforced, financed, or converted into power without public conditions.

The tax question is not whether the state created wealth. The tax question is whether concentrated economic power should contribute fairly to the public conditions that make its security and continuity possible — and whether the revenue raised should visibly return to the conditions that hold ordinary life together.

I-B. The Three Duties This Plan Serves

This plan does not exist on its own. It is the tax-policy expression of a broader civic-resilience framework — a framework that argues just governance has three duties: to prevent violence and structural harm before they become normal, to create the foundational economic security ordinary life requires, and to build and maintain the infrastructure that carries communities through pressure and crisis.

Tax policy is not separate from those duties. It is one of the most direct ways a society either fulfills them or fails them. A tax system funds the public conditions the three duties require. It also distributes the burden of funding those conditions — and that distribution is itself a question of whether the system produces harm, security, and stability or instead concentrates them unequally.

Each pillar of this plan serves at least one of the three duties.

Anti-violence governance is served by the plan's protection of low-income filers from enforcement targeting, its audit-priority rule preventing pressure on workers claiming basic credits, its protection of tribal governments and treaty-protected assets from misclassification, and its anti-abuse provisions that prevent concentrated wealth from using legal complexity to dominate public outcomes. These are not separate priorities. They are recognitions that structural and institutional harm — including harm done through tax administration — falls within the duty to prevent violence.

Foundational economic security is served by the worker protection floor, EITC expansion, simplified and free filing through Direct File, retirement account protections, family-farm and small-business continuity rules, and primary-residence protections. These provisions exist because economic security is a condition of agency and participation, and the tax system either supports that security or undermines it. A system that taxes work reliably while leaving wealth structurally advantaged makes ordinary life harder for the people who least need additional friction.

Infrastructure resiliency is served by the plan's public-return commitments — the requirement that revenue visibly fund the infrastructure, housing, health, education, and disaster readiness ordinary life depends on. The Public Return and Correction Report is the accountability mechanism for this duty. Infrastructure resiliency is also why the plan distinguishes between revenue mechanisms (how money is raised) and legitimacy mechanisms (what the money is for). A tax system that raises revenue without visible return to public conditions cannot sustain its own legitimacy.

The three duties also clarify what the plan is not. It is not a redistribution program built around equalizing outcomes. It is not a punitive measure aimed at wealth as such. It is not a generic progressive tax platform sorted by income decile. It is a framework for funding the conditions that just governance requires, while distributing the burden according to who holds real economic power and benefits most from those conditions.

This is the standard the rest of the document should be read against. If a provision does not serve one of the three duties — or worse, undermines them — it does not belong in the plan, regardless of how much revenue it raises.

II. Work-Wealth Parity

Serves: foundational economic security and anti-violence governance. This pillar protects ordinary work from carrying public burdens that concentrated wealth structurally avoids, and prevents the kind of institutional asymmetry that constitutes structural harm to working households.

The central alignment principle of this framework is that, at comparable economic capacity, income from labor and income from ownership should be taxed at comparable rates. The current system violates this principle through preferential capital-gains rates, step-up basis, deferral, and asset-backed borrowing without realization. Work-wealth parity is the plan's primary alignment claim: not that wealth should be punished, but that it should not be structurally advantaged over work.

Real economic power — the practical capacity to command resources, shape markets, defer or avoid public obligations, influence public systems, preserve wealth across time, or shift costs onto others — is the standard the framework uses to identify where tax responsibility should fall. The phrase is disciplined by thresholds, measurable indicators, public-return justification, protected-continuity guardrails, and correction triggers. It does not authorize unlimited taxation; it identifies the actual location of economic capacity that the tax system should follow.

III. Worker Protection Floor and Filing Access

Serves: foundational economic security and anti-violence governance. This pillar treats baseline economic stability as a precondition for participation and prevents the tax system from imposing enforcement pressure on the people least equipped to absorb it.

Worker protection floor. Ordinary workers should not face new direct tax increases under this plan. The first layer of income needed for basic life should be protected through standard deduction and exemption structures, with care to avoid cliffs and phase-out distortions.

EITC expansion. The Earned Income Tax Credit should be expanded, simplified, and made more accessible. Eligibility should be clearer. Phase-outs should be smoother. Outreach should be strengthened so that workers eligible for the credit actually receive it.

Direct File expansion. Filing should be free, simple, multilingual, and accessible. The IRS Direct File program should be expanded to cover more taxpayers and more tax situations, with care to maintain quality and accessibility.

Audit-priority rule. Tax enforcement resources should be allocated according to expected high-dollar noncompliance risk, with priority for complex high-income, high-wealth, corporate, offshore, trust, and pass-through avoidance. Enforcement expansion shall not be used to increase pressure on low-income filers claiming basic worker or family credits except where fraud risk is substantiated by evidence and reviewed under public audit-allocation standards.

This pillar's purpose is to ensure that the tax system's most direct daily contact with ordinary workers — filing, withholding, credits, and enforcement — supports rather than undermines economic security.

Disposition: Keep central.

IV. Capital-Gains Parity

Serves: foundational economic security. This pillar removes the structural preference for ownership income over labor income at high income levels, restoring the principle that comparable economic capacity should produce comparable contributions.

At high income levels, the tax code should not privilege ownership income over labor income. Long-term capital gains and qualified dividends should be taxed at ordinary rates for households above $1 million in annual income. Preferential rates remain for low- and middle-income investors, including ordinary retirement accounts.

Threshold rationale. The $1 million threshold ensures that the parity rule applies to households where the work/wealth distinction is most consequential, while protecting ordinary investors, modest retirement income, and one-time business sale events for households below the threshold.

Realization-response and the framework's pairing strategy. Capital-gains parity carries a known risk: when rates rise, high-income taxpayers can delay realizing gains — a behavior called lock-in. The empirical literature places the persistent realization elasticity in a defensible range of approximately −0.3 to −0.72. Scorekeeper estimates cluster near the higher end: the Joint Committee on Taxation and the Treasury Office of Tax Analysis use a permanent elasticity of about −0.7, anchored on the Dowd–McClelland–Muthitacharoen (2015) panel-of-returns estimate of −0.72. The most recent state-panel work (Agersnap and Zidar 2021, *AER: Insights*) places the revenue elasticity over a ten-year horizon at −0.3 to −0.5 — lower than the scorekeeper consensus, with an explicit statistical rejection of the null of −1.0. The transitory elasticity — taxpayers timing realizations around anticipated rate changes — is larger but, by construction, temporary. All credible estimates lie well below an elasticity of −1.0, the threshold at which a rate increase would generate no net revenue; Agersnap and Zidar's long-run estimates correspond to revenue-maximizing federal capital-gains rates of 38–47%, above the current top combined federal rate of 23.8%.

The framework's pairing strategy is the design the recent literature endorses. The framework's response to lock-in is not to raise the headline rate further; it is to pair parity with mechanisms that reduce the value of deferral itself — BMIT for households above $100M wealth (which taxes appreciation as it accrues), step-up basis reform at death (which prevents lifetime appreciation from escaping income tax through inheritance), and stronger reporting and enforcement. This pairing is the design the leading recent academic analysis endorses. Sarin, Summers, Zidar, and Zwick (2022, *Tax Policy and the Economy*) argue that the prevailing scorekeeper assumption — that raising rates to ordinary-income levels would raise little revenue — is not warranted, and that "additional base-broadening reforms, like eliminating stepped-up basis and making charitable giving a realization event, will decrease the elasticity of the tax base to rate changes." Their crude calculation puts the additional revenue from such a package at roughly $1 trillion over a decade beyond standard scoring estimates. The Treasury FY2022 and FY2025 Greenbooks formally scored substantially the framework's package — ordinary rates on capital gains and qualified dividends above $1 million in income, combined with deemed realization of capital gains at gift or death — at $322 billion over ten fiscal years in the FY2022 estimate. The Greenbook score assumes a top ordinary income rate of 39.6% (above the current 37%), so it is a reference point for the framework's revenue posture rather than a JCT score of the framework's specific design.

What the literature does not settle. A precise point estimate for the persistent elasticity, because its value depends on functional form, asset composition, and the time horizon used to separate transitory from persistent responses. The interaction between the long-run elasticity and the recent compositional shift toward retirement-account and pass-through holdings, which Sarin et al. argue has lowered it. And the revenue-maximizing rate under the framework's specific package — parity at $1M plus step-up reform plus BMIT plus enforcement restoration — has not been microsimulated. The framework therefore does not assign a point estimate. Its claim is directional: lock-in is real but bounded, revenue gains from parity at the $1M threshold are substantial under any credible elasticity estimate, and the pairing strategy is the design the most recent academic literature recommends.

One-time event protections. Small business sale events, primary residence sales, and similar one-time liquidity events for households not otherwise above the threshold should receive smoothing rules to prevent a single transaction from being treated as recurring high-income.

Disposition: Keep central.

V. The Extreme-Wealth Pillar (lead instrument: Billionaire Minimum Income Tax)

Serves: foundational economic security and infrastructure resiliency. This pillar addresses the most extreme form of work-wealth asymmetry — the capacity of ultra-high-net-worth households to reduce effective tax rates to near zero through deferral — while channeling revenue toward the public conditions that make large-scale economic activity possible.

The pillar leads; BMIT is its preferred but contested instrument. The framework's lead at the top of the wealth distribution is the *extreme-wealth pillar*, not any single mechanism. The pillar is served by a standing portfolio of parallel and fallback mechanisms — strengthened step-up basis reform (Section VI), tightened capital-gains parity (Section IV), restored enforcement capacity (Section VIII), and accelerated Pillar Two alignment (Section VII) — alongside its preferred lead instrument, the Billionaire Minimum Income Tax (BMIT). BMIT is preferred because it reaches the buy-borrow-die pattern at the asset-appreciation stage more directly than any other mechanism. It is contested because its constitutional footing under unresolved post-*Moore* doctrine is not settled. The framework therefore designs the pillar so that it delivers its goal whether or not BMIT survives judicial review: the portfolio mechanisms are not merely a contingency that activates on BMIT's death, but a standing part of the pillar's architecture. BMIT's lead status is explicitly conditional (see *Conditional status* below and Section XI).

The mechanism this pillar addresses, and its documented scale. The deferral capacity that makes the extreme-wealth pillar necessary operates through a specific pattern colloquially known as "buy, borrow, die": ultra-high-net-worth households hold appreciating assets (buy), borrow against those assets through securities-backed lines of credit and similar arrangements to generate consumption capacity without selling (borrow), and bequeath the appreciated assets to heirs with a stepped-up basis at death (die — see Section VI), so that the lifetime appreciation never triggers income tax. The mechanism is documented at three levels. At the individual taxpayer level, ProPublica's 2021 analysis of leaked IRS records covering 2014–2018 reported that the 25 wealthiest Americans saw their collective wealth grow by approximately $401 billion over the five-year period while paying approximately $13.6 billion in federal income tax, with several specific high-net-worth individuals paying zero federal income tax in particular years and reporting only nominal wage income; one specific example documented was a $10 billion line of credit collateralized by stock held in the borrower's portfolio. At the aggregate market level, the Bipartisan Policy Center, citing Federal Reserve research, reports approximately $138 billion in outstanding securities-backed line-of-credit (SBLOC) balances in the first quarter of 2024, "overwhelmingly held by high-net-worth individuals" — a floor rather than a ceiling on the full asset-collateralized lending channel, since SBLOC is one product category among several. At the legal-mechanism level, the pattern turns on the combination of IRC §1001 (a loan secured by an asset is not a realization event, so loan proceeds are not income) and IRC §1014 (basis steps up at death, extinguishing any unrealized lifetime appreciation; see Section VI for the magnitude of this provision alone). Independent reform estimates targeting the borrowing channel specifically — Yale Budget Lab (2025) for deemed-realization, withholding, and excise-tax designs, and the Bipartisan Policy Center with the Tax Foundation for an 8% SBLOC excise — converge in the range of approximately $100–147 billion in revenue over ten years. These figures address only the borrowing channel; BMIT targets the underlying appreciation rather than the loan transaction, and is one of several reasonable responses to the same underlying pattern.

Lead with caveat. BMIT is the preferred lead mechanism of the extreme-wealth pillar, and it is also legally exposed. The Supreme Court's 2024 decision in *Moore v. United States* upheld the Mandatory Repatriation Tax on narrow attribution grounds while explicitly declining to resolve whether realization is constitutionally required for income taxation. Four justices wrote separately to affirm a realization requirement (Justices Barrett and Alito concurring in the judgment; Justices Thomas and Gorsuch in dissent). One justice (Jackson) wrote separately to reject a realization requirement. The remaining justices in the *Moore* majority did not decide the question, and the controlling doctrine on a future challenge to a mark-to-market mechanism is not settled. The framework's posture is therefore honest about the exposure: BMIT is the right policy instrument for the work-wealth-parity goal this pillar serves, and its constitutional fate depends on doctrine that has not yet been resolved. The framework's commitment is to that goal, not to BMIT's specific survival; the fallback architecture below specifies the framework's response if BMIT is narrowed or struck.

Design. Although BMIT's base includes annual appreciation, the framework drafts and defends it as a minimum income tax with accelerated payment, creditable against tax owed at realization, rather than as a standalone annual wealth tax. Adapting the FY2025 Treasury Greenbook design: a 25% minimum tax applicable to households with net worth above $100 million, calculated against a base that includes both realized income and the year's increase in asset value. The amount collected on the unrealized-appreciation component is characterized as a *prepayment* of the income tax that will be owed when the gain is realized, creditable against the realized tax liability at the time of realization. Prepayments in excess of the eventual realized tax liability are refundable to the taxpayer or to the taxpayer's estate. The framework treats BMIT and the step-up basis reform of Section VI as components of a single integrated regime: Section VI's deemed-realization-at-death provision is the terminal realization event that BMIT's annual prepayments anticipate, so every dollar collected through BMIT is a prepayment of a tax that will be assessed under the framework's design rather than a tax that might never be assessed. This pairing is constitutionally material: it supports characterizing BMIT alongside existing mark-to-market and exit-tax regimes — IRC §1256 (mark-to-market for certain futures), §475 (mark-to-market for securities dealers), and §877A (expatriation tax) — each of which involves payment of tax in advance of or independent of a traditional realization event. These analogies are structural, not constitutional safe harbors: they show that mark-to-market and exit-tax concepts exist in federal tax law, but they do not by themselves resolve whether a Sixteenth Amendment challenge to BMIT would succeed.

Protected continuity provisions.

- Active family farms, ranches, and small businesses: deferral with active-operation rules; no forced sale where heirs continue operation.
- Primary residences: high exemption thresholds and exclusion.
- Tribal community assets, trust lands, and treaty-protected property: separate treatment under sovereignty-protective design.
- Illiquid assets generally: hardship deferrals and liquidity protections.

Valuation discipline. The mark-to-market mechanism applies only to assets with reliable third-party market prices — publicly traded securities, registered investment fund interests, and similarly priced instruments. Non-tradable assets (privately held business interests, art, real estate, partnership interests in privately held entities) are not subject to annual mark-to-market valuation; instead, they are taxed at the deferral-with-interest mechanism on disposition or realization, with the interest charge offsetting the deferral benefit. This narrows the valuation-uncertainty surface to the asset classes where valuation is reliable, and removes the strongest version of the due-process objection to taxing inherently uncertain non-tradable-asset valuations. Existing valuation procedures with appeal rights — familiar from the estate tax, gift tax, and §877A expatriation tax — apply to non-tradable assets at the disposition event. Anti-abuse rules prevent valuation manipulation through entity structuring or asset reclassification.

Conditional status. BMIT leads the extreme-wealth pillar *conditional on* substantive review by qualified tax counsel and constitutional litigators converging on a defensible litigation path under post-*Moore* doctrine. If that review and a converging litigation strategy do not materialize, BMIT moves to formal reserve status (Section XI) — not rejected, and promotable to lead again if the path later clears — and the pillar leads with strengthened step-up basis reform (Section VI), the portfolio mechanism on the firmest constitutional footing. This conditional posture applies to BMIT the same discipline the framework already applies to the direct annual net wealth tax in Section XI: a wealth-taxation instrument with unresolved post-*Moore* exposure is held under explicit condition rather than staked on as if its footing were settled.

Fallback architecture. If BMIT is narrowed or eliminated through litigation, the framework's response is not to abandon the extreme-wealth pillar. The pillar's standing portfolio of parallel and fallback mechanisms — each independently defensible on traditional constitutional grounds — carries the pillar's goal by alternative routes:

- *Deemed-realization-at-death step-up reform (Section VI),* strengthened beyond the framework's current Section VI design if BMIT is unavailable, with explicit accelerated-realization triggers at gift, charitable transfer, and other transactions where lifetime appreciation would otherwise escape income tax.

- *Tightened capital-gains parity (Section IV),* with the income threshold lowered and the parity rate raised so the ordinary-rate treatment of capital gains for high-income taxpayers reaches further into the population BMIT would have addressed.
- *Restored and sustained enforcement capacity (Section VIII),* targeting the high-income examination and offshore-compliance work that the framework's audit-priority rule contemplates.
- *Accelerated Pillar Two alignment and country-by-country reporting (Section VII's international-coordination subsection),* which captures revenue from the multinational profit-shifting channel that BMIT alone could not reach.

These four mechanisms together do not perfectly substitute for BMIT. BMIT's particular strength is reaching the buy-borrow-die pattern at the asset-appreciation stage rather than at any later event, and the four alternatives reach the same revenue base by different and slower routes. But they preserve the framework's broader commitment to work-wealth parity at the top of the wealth distribution. The framework's commitment is to the parity principle and the public-return goal it serves, not to BMIT as the only instrument.

Disposition: Pillar central. BMIT preferred lead instrument with explicit legal caveat and conditional status; standing portfolio of parallel and fallback mechanisms carries the pillar's goal whether or not BMIT survives review.

VI. Step-Up Basis Reform

Serves: foundational economic security. This pillar prevents lifetime appreciation from escaping income taxation entirely through inheritance, while protecting family-farm, ranch, small-business, and primary-residence continuity through hardship deferrals and active-operation rules.

Step-up in basis is a feature of current tax law that resets the cost basis of inherited assets to their market value at the time of the original owner's death. This means lifetime appreciation can pass to heirs without ever being subject to income tax. Step-up reform in this plan would tax large unrealized gains above high exemption thresholds at death or transfer.

Magnitude and concentration of the foregone revenue. Step-up basis is consistently ranked among the largest federal tax expenditures. The Joint Committee on Taxation projects the annual revenue cost at $72.5 billion for fiscal year 2026, with cumulative cost over fiscal years 2025–2029 of $379.3 billion. Treasury's parallel tax-expenditure estimate is somewhat lower ($51.9 billion in 2024 versus JCT's $59.7 billion in the same year), reflecting methodological differences in how each agency models the counterfactual treatment of unrealized gains rather than substantive disagreement about magnitude. These are *static* tax-expenditure figures — what the federal government forgoes annually assuming current behavior — not estimates of what a specific reform would raise. *Reform revenue* is design-dependent and smaller: the Penn Wharton Budget Model estimates that reforms targeting the lock-in effect would raise between $115 billion and $357 billion over ten years, depending on whether the reform uses prospective or retrospective carryover basis and how holding-period rules are tightened. The Joint Committee on Taxation's 2020 estimate for terminating step-up alone was approximately $105 billion over ten years; Batchelder and Kamin (2019) projected $290 billion over a decade from a package combining taxation of accrued gains at death with a 28% capital-gains rate. The Treasury FY2022 Greenbook's $322 billion ten-year score, cited above under Section IV, is a joint estimate of parity-plus-deemed-realization and is not disaggregated here to step-up alone.

Distributional concentration. The Congressional Budget Office estimated that in 2019, 56% of the benefit of stepped-up basis went to the top 20% of the income distribution, with 18% going to the top 1% alone. Recent Brookings work (Gale, Hall, and Sabelhaus 2024, "Taxing the 'Angel of Death'") finds that unrealized capital gains account for more than one-third of all bequeathable wealth in the United States and 41% of the wealth held by the top 1%, with total unrealized-gains wealth equal to 154% of annual U.S. GDP in 2021. The concentration is sharper among older high-wealth households: the top 1% of households where the head is 55 or older controlled unrealized-gains wealth equal to 47% of GDP in 2021, and accounted for almost half of all unrealized-gains wealth growth since 1997 as a share of the economy. The benefit of step-up flows overwhelmingly to households whose wealth is most likely to be inherited rather than spent down — the structural pattern that makes step-up the central channel through which large unrealized gains escape income taxation across generations. The framework therefore does not assign a reform-revenue point estimate (revenue depends on design choices yet to be specified), but it claims the tax-expenditure magnitude (~$50–75 billion annually) and the directional point that addressing step-up is, by the literature's consensus, among the most progressive available capital-gains reforms.

Target. The reform's target is not ordinary inheritance. The target is large unrealized gains passing across generations without public return.

Constitutional role as the terminal realization event for BMIT. Section V's BMIT pillar and this step-up reform function as components of a single integrated regime. BMIT's annual mark-to-market collections are characterized as prepayments of the income tax that will be owed when the underlying gain is realized; this reform's deemed-realization-at-death provision is the terminal realization event that BMIT's prepayments anticipate. The pairing matters for both pillars. For step-up reform, it captures the lifetime appreciation that would otherwise escape income tax through inheritance — the reform's primary purpose. For BMIT, it answers the strongest version of the "but what if realization never happens" objection to taxing unrealized appreciation: under the framework's design, realization will happen, at the latest at death. If BMIT is narrowed or struck through litigation, this reform's deemed-realization mechanism becomes the principal alternative route to the same revenue base, strengthened beyond its current design (see Section V, *Fallback architecture*).

Protected situations.

- Ordinary family homes
- Modest estates
- Family farms, ranches, and active family enterprises (active-operation deferrals)
- Small businesses (installment payment rules and active-operation deferrals)
- Tribal lands and community assets
- Culturally significant property
- Heirs without liquidity to pay without forced sale (hardship deferrals)

Exemption thresholds. High exemptions calibrated to ensure that the reform reaches concentrated wealth rather than ordinary inheritance. The framework leans toward $5–10 million per individual exemption ranges, subject to interaction modeling and political feasibility considerations.

Anti-abuse design. Rules prevent shell "farms" or dormant businesses used only for tax sheltering. Anti-abuse design must be careful to distinguish legitimate continuing operations from sheltering structures.

Disposition: Keep central.

VII. Corporate Public-Return Tax

Serves: infrastructure resiliency and foundational economic security. This pillar treats corporate profit as partially derived from the public infrastructure, contract enforcement, and stability conditions corporations depend on, and requires visible return to those conditions.

Corporate profit depends on public infrastructure, contract enforcement, monetary stability, public research, and the institutional conditions that make large-scale business operation possible. The corporate tax is the mechanism through which corporations return value to those conditions.

Corporate rate adjustment. The current federal corporate rate is 21%. The framework's lead position is to adjust the rate upward toward 25%, with explicit acknowledgment that the appropriate rate depends on incidence modeling, international competitive considerations, and interaction with the Corporate Alternative Minimum Tax.

Corporate Alternative Minimum Tax (CAMT). The 15% CAMT enacted by the Inflation Reduction Act of 2022 should be preserved and strengthened. Carve-outs that hollow the floor should be prevented. Modeling of sector impacts should inform any rate adjustment.

Stock buyback excise. The current 1% stock buyback excise tax should be increased. Substitution effects (toward dividends) should be monitored and addressed through coordinated payout-policy treatment.

Public effective tax-rate disclosure. Large corporations should publicly disclose their effective federal tax rate, in standardized form, alongside their financial statements. Disclosure does not impose tax burden directly but supports the legitimacy and accountability that the public-return tax requires.

Subsidy clawback. Public subsidies should carry public-return conditions. Subsidies should be clawed back where conditions are violated, with clear safe-harbor provisions for compliance.

International profit shifting and the framework's coordination posture. Multinational profit shifting produces substantial federal revenue loss. The reconciled literature places the annual U.S. corporate tax revenue loss in a range of approximately $75–$115 billion for the 2017–2019 baseline period, with Garcia-Bernardo, Janský, and Zucman's logarithmic-model estimate of $76.7 billion (using Country-by-Country Reporting data for 2017) as the most defensible single point and Clausing's $113–$117 billion as the higher-end CbCR estimate. The "over $100 billion annually" order-of-magnitude statement is defensible across the corpus. These figures emerged from a sustained methodological debate that the framework adopts in its post-reconciliation form rather than from any single paper's headline number. The Blouin-Robinson (2020) critique of the earlier macro-data tradition was correct in principle — the BEA Net Income series double-counted equity income flowing through ownership chains, and the major researchers now use corrected data series — but their $10 billion estimate for 2012 was over-adjusted because the subtraction method also removes legitimate foreign-to-foreign shifting and assumes a linear tax response the data do not support; the conservative floor after their correction is approximately $61–$64 billion, not $10 billion. The 2017 Tax Cuts and Jobs Act reduced overall foreign profit booking by 3–5 percentage points, driven by intellectual-property repatriation at six firms, but the share of remaining foreign profits booked in tax havens has stayed stable at approximately 50% through 2020. The framework's cited figures are 2017–2019 baseline estimates; the post-Pillar-Two trajectory is not yet measurable and the magnitude estimate should be revisited when post-2024 reconciled data become available.

The design the framework endorses within Pillar Two. The framework supports OECD Pillar Two alignment, but Pillar Two is not a single policy — it is an architecture with design choices, and the empirical literature identifies three specific components as load-bearing for actually closing the residual profit-shifting channel that TCJA did not. First, the framework endorses transition from GILTI's current global-blending calculation to country-by-country minimum taxation. Global blending — letting excess foreign tax credits from high-tax jurisdictions shield haven income from the GILTI top-up — is the principal residual loophole that allowed haven booking to stay stable at ~50% of foreign profits despite TCJA. Tax Policy Center modeling places the effective average tax rate increase for haven-shifters at approximately 8.8 percentage points under country-by-country calculation. Second, the framework endorses replacing the Base Erosion and Anti-Abuse Tax with an Undertaxed Payments Rule (UTPR) or SHIELD-style backstop. The BEAT's low rate (10%) and exclusion of cost-of-goods-sold leave significant under-taxed-payments channels open; a UTPR-style rule disallowing deductions for related-party payments to entities taxed below the 15% Pillar Two rate is the architecturally consistent backstop. Third, the framework endorses public, affiliatelevel country-by-country reporting. The academic impasse between macro-data and micro-data estimates was resolved only when CbCR data became available; the same transparency is necessary for sustained public-return enforcement of the architecture.

The defensive logic for U.S. alignment. The framework's endorsement of Pillar Two alignment is substantive (closing the residual profit-shifting channel) and also defensive (preventing revenue displacement to foreign treasuries). Under Pillar Two's ordering rule, source countries collect the 15% minimum tax through Qualified Domestic Minimum Top-Up Taxes (QDMTTs) *before* the U.S. residual rule (GILTI/NCTI) can reach the same income. If the U.S. does not align while other countries implement QDMTTs, foreign treasuries capture revenue the U.S. currently collects — the Joint Committee on Taxation estimates the U.S. loss at approximately $175 billion over nine years; the Yale Budget Lab estimates $144 billion over ten years. Conversely, JCT modeling estimates that U.S. alignment with Pillar Two could increase U.S. tax revenues by approximately $237 billion over nine years. The Tax Foundation / Forstater critique distinguishing "tax competition" (Ireland, Luxembourg) from "tax evasion" (Bermuda, Cayman) does not change the framework's diagnosis: even restricted to traditional paper havens, the U.S. revenue loss remains in the $25–$40 billion annual range. One queued risk worth flagging: as paper-only profit shifting becomes more difficult under Pillar Two, multinationals may shift real economic activity — jobs, infrastructure, intangibles — to low-tax jurisdictions to qualify for substance-based carve-outs. This is a different problem from the one the current architecture addresses, and would require its own institutional response if post-Pillar-Two data show substantial real-activity shifting replacing paper shifting.

Incidence and the burden-alignment claim. Corporate tax incidence is genuinely debated, but the debate is asymmetric, and the framework's burden-alignment claim survives across its entire credible range. The official scorekeepers converge on a capital-heavy split: CBO and JCT assign roughly 75% to capital and 25% to labor, Treasury 82/18, and the Tax Policy Center 80/20 — a central estimate of approximately 75–82% capital, 18–25% labor. The defensible interval runs from a 50/50 split (the recent within-firm rent-sharing evidence of Suárez Serrato–Zidar's 2023 results and Fuest–Peichl–Siegloch 2018) to 100% capital (Saez–Zucman's direct-assignment approach). The labor-heavy tail that critics invoke — labor bearing 70% or more — is principally a modeling artifact: it depends on assuming perfect capital mobility and perfect product substitution. When the product-substitution elasticity is lowered from infinity to a realistic value of 3.0, labor's modeled share falls from 70% to 38%; at an elasticity of 1.0 it falls to 7%. Because the empirical literature estimates these elasticities near unity rather than near infinity, the headline labor-heavy result rests on a parameter the evidence does not support. The framework therefore does not assign a single point estimate; it reports the capital-heavy central range with disclosed bounds (the earlier 60/25/15 working assumption remains withdrawn).

Why the pillar does not need to win the incidence debate. The corporate tax's progressivity does not turn on resolving the split, because factor income is itself highly concentrated: the top 1% holds roughly half of all capital income but only about 11.5% of labor income. As a result the corporate tax remains progressive across the entire credible range and well beyond it — it stays progressive until labor's share exceeds approximately 87%. Even at a 50/50 split, the top 1% bears about 30.6% of the corporate tax against roughly an 18.6% income share; even at a labor-heavy 70/30 split, the top quintile's tax share (about 64%) still exceeds its income share (about 59.9%). The tax becomes regressive at the top only above an ~87% labor share — a level reached solely by the implausible 200–400% labor-incidence estimates that both the scorekeepers and the primary literature reject. This is the stress-test result: the framework holds an affirmative, sourced position rather than a defensive one, because the corporate pillar's burden alignment survives the full range of credible estimates.

A rate increase carries the same incidence as the existing tax. Both Treasury and the Tax Policy Center establish that a change in the statutory rate distributes in proportion to the existing corporate tax burden, because it affects normal and supernormal returns in the same proportion as the current tax. In the short run, incidence falls almost entirely on shareholders, because capital cannot adjust immediately — making a near-term rate increase more progressive than its long-run average.

The strongest opposing case, and the framework's answer. The strongest argument against raising corporate taxes is the open-economy capital-flight case: capital is internationally mobile while labor is trapped, so a rate increase drives capital abroad, lowers the capital-labor ratio, reduces labor productivity, and lands on workers as lower wages — a hidden, regressive wage tax with large deadweight loss. The framework states this case in its strongest form and answers it on the adjudicated evidence. The case depends on the perfect-mobility and perfect-substitution assumptions the data contradict; the large-open-economy effect prevents full capital escape, because U.S. capital outflow lowers the worldwide rate of return and so forces capital to bear a larger share at the federal level than it does at the state or municipal level; location-specific rents are empirically substantial — estimated at 60–68% of the corporate return — and only their tax-insensitivity, not their existence, is theoretical; and progressivity survives to an ~87% labor share, far beyond any credible estimate.

Correction trigger. Correction triggers apply if incidence modeling shows the corporate burden falling disproportionately on workers below the income threshold. The framework's commitment is to the burden-alignment principle, not to any single incidence assumption; if credible modeling places labor's long-run share near the ~87% boundary, the pillar's progressivity claim must be revisited.

[Verification note — to be removed after primary-source check. Several figures in this subsection are reported from the P3 NotebookLM full-text corpus and are twice-mediated: the corpus summarized the primary papers, and the synthesis summarized the corpus. The three load-bearing figures flagged for verification are (a) the ~87% progressivity boundary, (b) the product-substitution-elasticity mapping (labor's modeled share moving 70% → 38% → 7% as the elasticity moves

∞ → 3.0 → 1.0), and (c) the top-quintile factor-income shares (56.8% labor income vs. 59.9% national income) that generate that boundary; the illustrative points along the progressivity curve (the 30.6% and ~64% top-bracket tax shares) share the same provenance. Verify against Treasury 2012 Table 4, TPC 2012 Table 2, and the Suárez Serrato–Zidar 2023 reply before any high-stakes external use. The scorekeeper splits (75/25, 82/18, 80/20) are published methodology and not part of this flag.]

Disposition: Keep central (rate adjustment); Keep central (CAMT preservation, buyback excise increase, disclosure); Strong candidate (subsidy clawback, international coordination).

VIII. Enforcement Restoration and Audit-Priority Rule

Serves: anti-violence governance. This pillar redirects enforcement capacity toward high-dollar avoidance and away from low-income filers, recognizing that misallocated enforcement is itself a form of institutional harm.

The plan depends on enforcement. Without enforcement, the burden falls back onto those easiest to tax. The tax gap is not only a revenue issue. It is a distributional issue: if wealthy households can avoid taxes while workers cannot, the effective tax system becomes less progressive than the statutory system.

The tax gap is concentrated in income categories where third-party reporting is weak or absent — pass-through business income, self-employment income, and offshore income — which flow disproportionately to high-income households. The IRS's own estimates show that underreporting of pass-through and self-employment income accounts for roughly 44% of the underreporting tax gap, the largest single source. By contrast, wage and salary income, which is subject to third-party reporting, is underreported at a small fraction of that rate; in 2021 taxpayers underreported $167 billion of income subject to minimal reporting compared to roughly $9 billion of extensively reported income. Corporate income tax underreporting is real but a smaller component, projected at approximately 6% of the gross tax gap. Peer-affiliated research using IRS micro-data (Guyton, Langetieg, Reck, Risch, and Zucman, 2021) finds that the top 1% conceal approximately 21% of their true income, compared to roughly 7% for the bottom 50%, and that the official IRS methodology — which relies on random audits — systematically understates evasion at the top because random audits often miss the sophisticated structures the wealthiest filers use. On this evidence, the top 1% account for roughly 36% of the tax gap.

There is also a documented enforcement asymmetry. The Earned Income Tax Credit is subject to a dedicated improper-payments accountability process under the 2012 IPERIA framework. No comparable process focuses on high-income pass-through underreporting, even though pass-through underreporting is the single largest source of the gap. This asymmetry — extensive scrutiny of low-income credit claimants, comparatively limited scrutiny of high-dollar pass-through avoidance — is precisely the institutional harm the audit-priority rule is designed to correct.

The 2010–2019 collapse, the FY2022 trough, and the post-IRA partial reversal. The Government Accountability Office documents that average individual audit rates fell from 0.9% in tax year 2010 to 0.25% in tax year 2019 — a 72% decline overall — and that the decline was steepest at higher incomes: rates for taxpayers earning $200,000–$500,000 declined by approximately 92%; rates for those earning $5 million or more declined by approximately 86%; rates for those earning $1–$25,000 declined by approximately 61%, the smallest drop. The IRS attributed the trend primarily to reduced staffing following sustained funding cuts. EITC audit rates, sustained by the dedicated improper-payments process, remained generally above the rates for other taxpayers earning under $200,000 throughout the decade. By fiscal year 2022, Syracuse University's Transactional Records Access Clearinghouse, using IRS internal management reports, documented that the revenue-agent (in-person) audit rate for millionaires had fallen to 1.1%, below the 1.27% audit rate for the lowest-income EITC claimants — the structural asymmetry the framework names made arithmetic. Following the 2022 Inflation Reduction Act and the August 2022 Treasury Directive prohibiting use of IRA funds to raise audit rates on taxpayers below $400,000, the IRS's FY2024 enterprise-wide examination plan provided for high-income audits at approximately 2.5 times the FY2019–2023 average — over 70,000 audits annually for taxpayers above $400,000, compared to roughly 29,000 in prior years — while EITC examinations dropped by approximately 53% from FY2023 to FY2024 (TIGTA). This is the kind of reallocation the audit-priority rule explicitly contemplates. Subsequent Congressional reductions in IRS enforcement funding (to approximately $3.8 billion by 2025, with staffing reportedly down by roughly a third) illustrate the framework's separate concern that enforcement restoration must be sustained across administrations rather than oscillating with political turnover.

Documented racial disparity in audit selection. Stanford–Treasury collaborative research (Elzayn, Smith, Hertz, Guage, Ramesh, Fisher, Ho, and Goldin, *Quarterly Journal of Economics* 2025) finds that Black taxpayers were audited at approximately 2.9 to 4.7 times the rate of non-Black taxpayers during the period studied, despite race-blind audit-selection algorithms. About 80% of the overall disparity is driven by differing audit rates by race within the EITC-claimant population, not by the higher audit rate of EITC claimants overall. The mechanism is not intentional bias by IRS staff but cost-saving algorithmic design choices: auditing EITC returns with business income costs approximately $385 per audit compared to approximately $29 per audit for returns without business income, and Black taxpayers are over-represented among the cheaper-to-audit category. IRS Commissioner Werfel confirmed the disparity in a May 2023 letter to Congress and committed to retooling the selection algorithms. This finding documents one specific mechanism through which the enforcement-asymmetry pattern the framework names has produced disparate institutional harm. The audit-priority rule, public audit reporting, and correction-trigger provisions specified below are designed to surface and correct disparities of this kind across administrations rather than depending on any particular Commissioner's commitments.

IRS enforcement restoration. The IRS should have adequate funding to enforce existing law, with priority for the categories where the gap is concentrated: high-income individual, pass-through (S corporation, partnership, sole proprietorship), high-wealth, offshore, and trust avoidance. Because pass-through income flows overwhelmingly to high-income households, pass-through and high-income individual enforcement are overlapping rather than separate priorities. Restoration should be sustained across administrations rather than oscillating with political turnover.

Audit-priority rule (statutory). Tax enforcement resources shall be allocated according to expected high-dollar noncompliance risk, with priority for complex high-income, high-wealth, corporate, offshore, trust, and pass-through avoidance. Enforcement expansion shall not be used to increase pressure on low-income filers claiming basic worker or family credits except where fraud risk is substantiated by evidence and reviewed under public audit-allocation standards.

Public audit reporting. The IRS should annually report audit rates by income group and entity type, audit recovery by category, share of audits involving EITC and low-income filers, share of audits involving high-income households, share of audits involving corporations and partnerships, and enforcement return-on-investment by category.

Corporate Transparency Act restoration. The March 21, 2025 FinCEN interim final rule narrowed Corporate Transparency Act beneficial-ownership reporting to foreign reporting companies, exempting U.S. companies and U.S. persons from BOI reporting. Restoration is therefore a substantial undertaking — requiring either Congressional action, new rulemaking by a future administration's FinCEN, or judicial review of the interim final rule. The framework supports restoration of comprehensive beneficial-ownership reporting with simplified filing and small-entity protections.

Correction trigger. If low-income audit rates rise faster than high-income/corporate audit rates after enforcement expansion, the enforcement pillar fails its own guardrail and must be corrected.

Disposition: Keep central.

IX. Public Return and Correction Architecture

Serves: infrastructure resiliency, with corrigibility as the governance discipline. This pillar makes the revenue's destination visible and auditable, and creates the correction machinery that allows the plan to be revised when evidence shows it is failing one of the three duties.

The framework's legitimacy depends not only on who pays but on what the public receives. Revenue should support visible public conditions: infrastructure, housing stability, healthcare access, education and workforce pathways, disaster readiness, local capacity, tribal and rural infrastructure, and deficit reduction where debt service threatens public capacity.

If the public cannot see the return, trust will erode even if the tax design is technically fair.

Function-first approach. Begin with the public-return function, not a new institution. Existing channels — OMB tracking, Treasury reporting, GAO audit, public dashboards, congressional reporting, formula-based allocations — can perform much of the public-return function without creating new constitutional and capture exposure. A new trust or board would be created only if existing institutions cannot perform the function.

American Tax Plan Public Return and Correction Report (annual). The federal government should produce an annual public report covering:

- Revenue raised by mechanism
- Allocation of revenue to public-return priorities
- Distribution of tax burden by income and entity category
- Audit allocation and enforcement results
- Correction-trigger status for each major provision
- Recommendations for revision, narrowing, sunset, or expansion

The report should be auditable. Methodology should be transparent. The report's findings should have specified authority to trigger administrative correction, mandatory congressional review, or statutory sunset, depending on the magnitude of the finding.

Correction triggers. Each major provision should specify:

- The measurer (which institution determines whether the trigger has been met)
- The data source (what evidence supports the determination)
- The cadence (how often review is required)
- The authority (who can revise, pause, narrow, or remove the provision)

This is the operational machinery of corrigibility. Specifying the machinery is necessary for correction to occur. It is not sufficient — correction in practice depends on sustained political will, funded enforcement, and institutional persistence that no statute can fully guarantee.

Disposition: Keep central.

X. Protected Continuity

The framework's protected continuity groups are not afterthoughts or carve-outs. They are design constraints. The plan is structured so that reform of concentrated wealth and corporate profit does not produce collateral harm to:

- Ordinary workers and low- and middle-income households
- Family homes and primary residences
- Small businesses and active family enterprises
- Family farms and ranches with active operations

- Modest inheritances
- Ordinary retirement accounts and Social Security recipients
- Tribal governments
- Tribal enterprises (with separate treatment as governmental/community instruments where appropriate)
- Trust lands and treaty-protected rights
- Culturally significant property
- Public-facing charitable and community institutions serving genuine public purposes

Protection is operationalized through:

- High exemption thresholds for estate and step-up provisions
- Active-operation deferrals for farms, ranches, and businesses
- Hardship and liquidity protections
- Tribal sovereignty clauses and consultation requirements
- Retirement-account exemptions
- Small-business safe harbors
- Smoothing rules for one-time liquidity events

If a provision produces collateral harm to protected continuity groups, correction triggers apply.

XI. Reserve Mechanisms

The following mechanisms are not currently positioned to lead the framework. Reserve does not mean rejected. It means the mechanism is not ready to carry the framework's weight, pending resolution of specific issues.

- **+10% surtax above $100 million annual income.** Reserved pending resolution of interaction effects with capital-gains parity and the top bracket structure.
- **Megacorporation 28% tier.** Reserved pending resolution of fragmentation and incidence questions.
- **Direct annual net wealth tax.** Reserved pending legal review post-Moore.
- **Broad financial transaction tax.** Reserved because its primary justification is revenue rather than service to a duty, and because its exposure to retirement-saver and pension-fund effects has not been resolved.
- **Broad anti-borrowing rule against asset-backed loans.** Reserved pending narrower design that targets extreme personal consumption without disrupting legitimate business credit.

Reserved mechanisms may be promoted to lead status in future versions if specific issues are resolved. They may also be permanently withdrawn if resolution proves infeasible.

Conditional-lead status and its relation to reserve. One lead instrument carries an explicit conditional status that connects it to this reserve architecture: the Billionaire Minimum Income Tax (BMIT, Section V) leads the extreme-wealth pillar *conditional on* counsel review converging on a defensible post-*Moore* litigation path. If that condition is not met, BMIT moves to reserve here — not rejected, promotable later — and the extreme-wealth pillar leads with strengthened step-up basis reform. This is the same discipline applied to the direct annual net wealth tax above: a wealth-taxation instrument with unresolved post-*Moore* exposure is held under explicit condition rather than treated as settled. BMIT differs from the reserved direct net wealth tax in being more constitutionally defensible (it is drafted as a minimum income tax with accelerated payment, paired with a terminal realization event), which is why it currently leads under condition rather than sitting in reserve — but it shares enough of the same exposure that its lead status cannot be unconditional.

XII. Hostile Normative Objections

The framework engages four hostile normative objections that critics will raise. The engagement here is structural rather than fully developed; deeper engagement is outstanding work.

The Haig-Simons / realization position. Taxation should track economic income from market transactions; unrealized gains are not income until realized. The framework's response: at extreme wealth concentrations, realization becomes an avoidance privilege rather than a neutral administrative principle. The framework concedes the broader value of realization for ordinary administration while making the targeted argument that BMIT addresses the specific case where realization control undermines the tax system's purposes.

The libertarian-property position. Taxation requires legitimate state purpose, and "real economic power" is too elastic to discipline state extraction. The framework's response: real economic power is disciplined by thresholds, measurable indicators, public-return justification, protected-continuity guardrails, and correction triggers. The framework does not authorize unlimited taxation; it identifies where existing tax responsibility should fall to be consistent with the public conditions wealth depends on.

The growth-and-investment position. Capital-gains parity reduces capital formation and harms workers more than it constrains concentrated wealth. The framework's response: the empirical literature on capital-gains rates and investment is contested, and the framework's response includes incidence modeling, correction triggers if burden shifts to workers, and pairing capital-gains parity with mechanisms that reduce the value of deferral (BMIT and step-up reform). The framework concedes that incidence matters and commits to revising if evidence shows the predicted harm.

The administrative-feasibility position. Wealth taxation is foundationally suspect because the measurement problem is too hard to administer fairly. The framework's response: liquid assets first, illiquid assets through structured protocols with appeal rights, hardship deferrals, and multi-year capacity building before implementation. The framework concedes that administrative capacity must be built and does not pretend that BMIT or wealth-adjacent provisions are operationally ready without that investment.

These responses are sketches. Full engagement requires deeper argument and is outstanding work.

XIII. Distributional Caution

The framework identifies intended payers and protected groups. It does not microsimulate distribution across income deciles, wealth percentiles, geographic regions, demographic categories, or household types.

The framework's distributional discipline is:

- Households below $400,000 annual income should not face direct federal tax increases
- Households between $400,000 and $1 million should be mostly protected, with attention to threshold cliffs and one-time gains
- Households above $1 million face the work-wealth parity provisions
- Households above $100 million net worth face BMIT
- Protected continuity groups receive specific guardrails regardless of income level

The framework does not claim that distribution is proven. Proper distributional analysis requires microsimulation that has not been performed. That work remains outstanding.

XIV. Revenue Posture

The framework does not present revenue estimates as JCT-equivalent or formally scored. Earlier versions presented a working range of $2.0–2.4 trillion net over ten years; that range reflected internal assumptions about rate changes, behavioral response, base broadening, and interaction effects.

The framework's revenue posture is:

- Specific mechanisms have estimated revenue potential under stated assumptions
- The combined revenue potential is substantial but uncertain pending formal scoring
- Behavioral response and avoidance reduce theoretical revenue
- Interaction effects across mechanisms reduce or amplify individual estimates
- Any legislative use requires independent revenue estimation by appropriate scorekeeping institutions

The framework treats revenue as necessary but not sufficient for legitimacy. The public-return mechanisms are what convert revenue into the legitimacy the framework claims.

XV. Implementation Sequence

The framework's implementation sequence assumes a single major enactment with administrative phasing rather than five separate legislative windows. The phases describe an administrative rollout after enactment:

1. **Phase 1 (Year 1):** Worker protection floor, EITC expansion, Direct File expansion, audit-priority rule, IRS enforcement restoration, CAMT preservation
2. **Phase 2 (Years 1-2):** Capital-gains parity, stock buyback excise increase, public effective tax-rate disclosure, corporate rate adjustment
3. **Phase 3 (Years 2-3):** Step-up basis reform, country-by-country reporting, international coordination
4. **Phase 4 (Years 3-5):** BMIT (with explicit legal caveat and fallback architecture)
5. **Phase 5 (Years 4+):** Public Return and Correction Report operational; correction triggers active

The sequence prioritizes mechanisms with the highest mission fit and lowest legal exposure earliest, and places legally exposed mechanisms later where the framework has more capacity to defend or revise them.

This is illustrative. Actual legislative implementation depends on political windows, coalition assembly, and conditions the framework cannot control.

XVI. Outstanding Items

The following items remain before this framework can be used as anything more than a guide and rallying point. The list distinguishes completed items from those still outstanding, and groups outstanding items by priority.

Completed:

- *Empirical sourcing of claims P1–P8* (Project B). Closed. All eight findings are sourced and integrated. See the Project B sourcing document v0.7 and the claim-source matrix in the companion packet.
- *BMIT post-*Moore *legal memo.* Produced as preliminary issue-spotting; six design refinements integrated into Section V with a paired cross-reference added to Section VI. *Substantive legal review by qualified tax counsel and constitutional litigators remains outstanding and is item 1 below.*

Immediate priorities:

1. *Substantive legal review of BMIT and the framework*'s *other legally sensitive provisions* by qualified tax counsel and constitutional litigators. The BMIT post-*Moore* memo is preparation for this review, not a substitute for it.
2. *External readers*' *soundness evaluation* — Project A in the development record. Reviewers: tax practitioners, economists, legal scholars, tribal governance experts, and libertarian-property critics.
3. *Tribal sovereignty interaction annex.* Required since v0.3 of the framework and long-deferred. The annex requires consultation with tribal governance

experts and tribal governments that has not yet been scheduled. Should be initiated before broad external circulation of the framework.

Queued for later phases:

1. Plain-language reader version (5–8 pages, longer than the public brief).
2. Revenue posture page: explicit accounting of what is scored, what is unscored, what has Treasury or JCT precedent, what is directional only, what is not claimed, and what public-return categories would receive priority.
3. Administrative feasibility deepening: provision-by-provision analysis of IRS capacity, valuation systems, dispute handling, hardship-protection administration, tribal-asset classification, and resilience to underfunded enforcement.
4. Sector-by-sector corporate incidence model.
5. State-by-state distributional effects.
6. Race, geography, disability, age, and household-type distributional effects.
7. Interaction model across BMIT, capital-gains parity, step-up reform, and corporate taxation.
8. Verification of the P3 twice-mediated figures (the ~87% progressivity boundary, the elasticity-to-labor-share mapping, the 56.8%/59.9% top-quintile factor-income shares) against Treasury 2012 Table 4, TPC 2012 Table 2, and the Suárez Serrato–Zidar 2023 reply. The verification note in Section VII is structured to be removed in one stroke once verification is complete.

XVII. Closing Disposition

The American Tax Plan v1.1 is an integrated working framework. It is not legislatively ready. It has not been microsimulated, formally scored, reviewed by qualified counsel, or tested against hostile external readers. Empirical claims P1–P8 are sourced and integrated through Project B; that is the work the framework's empirical posture has done, and no further than that. The framework does, however, contain:

- A coherent moral spine: work-wealth parity, public return, protected continuity, corrigibility
- An architectural connection to the three duties of just governance
- Specific lead mechanisms with explicit caveats where legal or empirical uncertainty exists
- A reserve set of mechanisms held back rather than concealed
- Protected continuity as a design constraint, not an afterthought
- A correction architecture that specifies measurer, data source, cadence, and authority
- A public-facing toolkit (the companion packet) that lets readers use, evaluate, and verify the framework
- An honest record of what has been corrected and what has been withdrawn (the claims not carried forward)

The framework's intended contribution is to fill the gap between implemented tax systems (which often serve neither work nor public conditions) and idealistic-speculative proposals (which often do not engage with how taxes actually function). It is designed to be used, debated, adapted, and corrected by readers who do not need the project's author to vouch for it.

The bottom-line discipline:

> *Keep the moral spine. Narrow the overbroad tools. Reserve the weakly aligned mechanisms. Build anti-abuse into the provisions themselves. Do not let governance machinery replace the mission.*

The public promise:

> *Protect work. Tax wealth honestly. Make corporations return value to the public systems they use. Show the public where the money goes. Correct the plan when evidence shows harm.*

Appendix B — How to Evaluate a Tax Provision

A Public Tool from the American Tax Plan Framework

Any tax provision — proposed, enacted, or hypothetical — can be evaluated against five dimensions. This tool gives readers a way to apply the framework's standards to provisions outside this plan, including provisions this plan does not address and provisions this plan itself contains. The tool is not a scoring system. It is a structured way to surface what a provision is doing, what it is risking, and what would need to be true for it to belong in a serious public-return framework.

A provision evaluation produces five judgments, each with an explicit confidence level. The judgments are independent — a provision can score strongly on one dimension and weakly on another. The honest verdict is the full picture, not a composite.

Dimension 1: Mission Fit

The first question is whether the provision serves one of the three duties: anti-violence governance, foundational economic security, or infrastructure resiliency. If the provision serves a duty, name which one and how. If the provision serves none — if its justification is purely revenue, purely symbolic, or purely political — that is itself a finding.

Confidence levels:

- **Strong fit.** The provision directly serves at least one duty, and the connection is structural rather than incidental.
- **Partial fit.** The provision serves a duty but also carries elements that do not, or its service to the duty is indirect.
- **Weak fit.** The provision's primary justification is revenue, optics, or political signaling rather than service to a duty.
- **No fit.** The provision serves none of the duties or actively undermines one.

Dimension 2: Burden Alignment

The second question is whether the burden of the provision falls on those who hold real economic power. This dimension has two parts: who is the intended payer, and who is the likely economic bearer after behavioral and market adjustment. These are often different. A corporate tax is legally paid by a corporation but economically borne in some combination by shareholders, workers, consumers, and suppliers. A wealth tax is legally aimed at ultra-high-net-worth households but can produce forced-sale pressure on illiquid asset holders if drafted poorly.

Confidence levels:

- **Aligned.** The intended payer and likely bearer are both within the population the provision claims to target, and the protected continuity groups remain protected.

- **Misaligned.** Either the intended payer is not the actual bearer, or the provision creates burden on protected groups (workers, small businesses, family farms, retirement savers, tribal governments, primary residences).
- **Uncertain.** The burden depends heavily on behavioral response, incidence assumptions, or design specifics that have not been resolved.

Dimension 3: Avoidance Exposure

The third question is how concentrated wealth, sophisticated entities, and high-capacity advisors will respond to the provision. A provision that is morally aligned but easily avoided produces less of its intended effect and more of its unintended distortion. The evaluation should name the specific avoidance mechanisms the provision is exposed to — not general categories like "structuring" but specific strategies: deferral, valuation discounts, jurisdictional shifts, entity classification, charitable substitution, timing changes, income recharacterization, and so on.

Confidence levels:

- **Low exposure.** The provision is structurally difficult to avoid, or the anti-abuse rules attached to it are credible.
- **Moderate exposure.** The provision is avoidable through identifiable strategies, but the avoidance is itself costly or visible.
- **High exposure.** The provision is avoidable through routine planning that sophisticated taxpayers will use as standard practice.
- **Unresolved.** The avoidance landscape has not been mapped and the provision should not be evaluated as final until it has.

Dimension 4: Administrative Feasibility

The fourth question is whether the provision can actually be administered — measured, collected, audited, and corrected — by the institutions responsible for it. A provision that requires data that does not exist, valuations that cannot be performed reliably, or enforcement capacity that has not been built is not yet a real provision.

Confidence levels:

- **Feasible.** The administering institution has the data, capacity, and legal authority required.
- **Buildable.** The provision requires new capacity, but the capacity can be built within a reasonable timeframe.
- **Uncertain.** The administrative requirements are unproven, contested, or depend on capacity that has been weakened and not restored.
- **Infeasible.** The provision cannot be administered honestly with current or near-term capacity.

Dimension 5: Legal Durability

The fifth question is whether the provision can survive constitutional challenge, statutory interpretation, and administrative-law review. Some provisions are clearly within congressional taxing authority. Others test the boundaries — particularly provisions touching realization doctrine, retroactivity, takings, equal protection, or international treaty obligations. The evaluation should name the specific legal questions, not assert legal validity in the abstract.

Confidence levels:

- **Settled.** The provision falls within well-established congressional authority and survives existing doctrine.
- **Defensible.** The provision raises identifiable legal questions but has plausible arguments for survival.
- **Exposed.** The provision faces serious legal challenge under current doctrine, and survival depends on judicial interpretation that is not yet resolved.
- **Unresolved.** The legal question has not been engaged seriously enough to support any judgment.

Using the Tool

A complete evaluation produces five confidence levels, one per dimension. The honest verdict is the full picture: a provision might be *strong fit, aligned, moderate exposure, buildable, defensible* — which is a serious provision worth defending despite its uncertainties. Or it might be *weak fit, uncertain, high exposure, infeasible, exposed* — which is a provision that should not be in a serious framework regardless of how attractive its headline sounds.

A few patterns are worth naming.

A provision that scores strongly on Mission Fit but poorly on Avoidance Exposure or Administrative Feasibility is not ready to lead a framework. It may belong in reserve until the gaps are closed. The Billionaire Minimum Income Tax in this plan is an example: strong mission fit, but exposed on legal durability and uncertain on administrative feasibility. The plan leads with it under caveat rather than treating its inclusion as settled.

A provision that scores strongly on revenue but weakly on Mission Fit should be treated with suspicion. The financial transaction tax in this plan is an example: it raises revenue, but its primary justification is revenue rather than service to a duty. It belongs in reserve.

A provision that scores strongly across the first four dimensions but is *Exposed* on legal durability is not necessarily disqualified. It requires fallback architecture — design choices that preserve the provision's purpose if litigation narrows or eliminates the lead mechanism. Step-up basis reform in this plan is an example: legally complex, but with substantial design space for protected fallbacks.

A provision that scores well across all dimensions but produces *Misaligned* burden — particularly burden on protected continuity groups — fails its own purpose. The evaluation should treat misalignment as a correction trigger, not a tolerable cost.

The tool's value is not in the labels themselves. The labels are scaffolding. The value is in the discipline of asking the five questions honestly about each provision, naming what is known and what is not, and refusing to collapse uncertainty into false confidence.

What the Tool Does Not Do

The tool does not produce a single recommended verdict. It does not score provisions against one another. It does not tell readers whether a provision is good or bad in the abstract — only what it is doing, what it is risking, and what would need to be true for it to belong in a serious public-return framework.

It also does not replace specialized expertise. A serious evaluation of administrative feasibility benefits from tax-administration experts. A serious evaluation of legal durability benefits from constitutional and administrative-law expertise. A serious evaluation of avoidance exposure benefits from tax-practitioner experience. The tool gives non-specialist readers a structured way to think about these dimensions and to know which questions require expert input. It does not pretend that the structured thinking is itself the expertise.

Appendix C — Worked Example: State-Level Annual Wealth Taxes

This example demonstrates the public tool in operation. It evaluates state-level annual wealth tax proposals (typically annual taxes of 1–4% on net worth above thresholds ranging from $30 million to $1 billion, applied to state residents) as a category. A specific proposal would require its own evaluation; the category-level evaluation surfaces what state-level wealth taxes generally face.

Dimension 1: Mission Fit — Partial fit

State-level wealth taxes claim to serve foundational economic security by funding state public services through revenue raised from concentrated wealth that currently faces little state-level tax exposure beyond property tax and capital-gains realization. They also gesture at anti-violence governance — addressing structural inequality and the institutional advantages of concentrated wealth — and at infrastructure resiliency through revenue allocated to state infrastructure, housing, education, and health systems.

The mission fit is real but partial. State wealth taxes serve foundational economic security through the revenue they raise, but the connection is mediated by state spending allocation, which varies dramatically by state and by year. The mission fit is therefore not inherent to the tax — it depends on what the state does with the revenue. State wealth taxes also serve anti-violence governance to the extent that they reduce the structural asymmetry between work and wealth at the state level. But that anti-violence service is weakened if the wealth tax produces relocation rather than payment.

Dimension 2: Burden Alignment — Misaligned to uncertain

The intended payer of a state wealth tax is residents above the wealth threshold. The likely economic bearer is more complicated. Residents who remain pay the tax directly. Residents who relocate to non-taxing states avoid the tax entirely and shift their contribution to public conditions out of the state. Residents who restructure assets may reduce but not eliminate exposure. Residents whose wealth is concentrated in illiquid assets face valuation pressure and possible forced-sale incentives.

The most significant misalignment risk is that state wealth taxes concentrate burden on residents whose wealth is least mobile — typically holders of physical assets, in-state business interests, and family wealth tied to local presence — while allowing the most mobile wealth to exit. This produces a paradoxical pattern: the tax reaches the wealth most tied to the state's actual economic conditions while exempting the wealth most disconnected from them.

A second misalignment risk concerns illiquid asset holders — particularly family businesses, working farms and ranches, and closely-held interests. A 1-4% annual tax on net worth requires liquidity that illiquid holders do not have. Without hardship provisions, valuation deferrals, and active-business protections, state wealth taxes create forced-sale pressure on exactly the kind of protected-continuity groups a public-return framework is designed to protect.

Dimension 3: Avoidance Exposure — High exposure at the very top; modest below it; stratified by wealth level

State wealth taxes face the simplest available avoidance mechanism: leave the state. The U.S. constitutional structure permits free movement between states, and state residency is a question of fact that taxpayers can change. But the empirical literature shows that the migration response is sharply stratified by wealth level, and an honest evaluation must reflect that stratification rather than asserting uniform high exposure.

At the very top of the wealth distribution, exposure is severe. Moretti and Wilson (2023, *American Economic Journal: Economic Policy*), studying the Forbes 400, found that approximately 35% of resident billionaires left states after estate-tax liability became location-dependent in 2001, with sensitivity increasing significantly with age. For the population a state wealth tax most depends on for revenue — a small number of very large fortunes — relocation risk is real and large.

For the broader population of merely high-income or high-net-worth households below the Forbes 400 level, exposure is modest. Young, Varner, Lurie, and Prisinzano (2016, *American Sociological Review*), using IRS administrative data covering 45 million records, found that millionaire tax flight occurs "only at the margins of statistical and socioeconomic significance." Young and Varner's natural-experiment study of New Jersey's 2004 millionaire tax found a statistically significant migration response only for the top 0.1%, not for millionaires generally. State wealth tax proposals typically set thresholds ($30M to $1B) that span both populations, so the avoidance exposure is genuinely mixed: high for the largest fortunes that drive most of the revenue, modest for the larger number of households nearer the threshold.

Specific avoidance mechanisms available to the most mobile wealth include: change of state residency, often to Florida, Texas, Nevada, Wyoming, South Dakota, or Tennessee; relocation of trusts to favorable trust jurisdictions (Delaware, Nevada, South Dakota, Alaska) regardless of grantor residency; restructuring of business operations to reduce state nexus; transfer of assets to family members or trusts in non-taxing jurisdictions before residency moves are completed; conversion of in-state assets to portable forms; use of holding company structures that can themselves be relocated; pre-emptive estate planning that distributes wealth across jurisdictions before the tax applies.

Anti-abuse responses available at the state level are limited. Exit taxes face constitutional questions under the dormant Commerce Clause, the Privileges and Immunities Clause, and the right to travel. Look-back provisions face similar challenges. Trust situs rules can be tightened but not made airtight. The federal government does not face this exposure to the same degree, because leaving the country is far costlier than crossing a state line and the U.S. maintains an exit-tax regime; states cannot replicate that structure.

One critical caveat the literature requires. High avoidance exposure does not automatically mean net revenue loss. Moretti and Wilson found that even with 35% billionaire relocation, the revenue collected from those who remain exceeds the revenue lost from those who relocate in the vast majority of states — of states without estate taxes, all but California would gain revenue by adopting one. A high-exposure verdict on Dimension 3 is therefore a warning about base erosion and the importance of design, not a prediction that the tax loses money.

Dimension 4: Administrative Feasibility — Uncertain to buildable

State revenue agencies do not currently have the capacity to value and audit comprehensive net worth annually. Property valuations are familiar; business equity, private partnership interests, art, intellectual property, complex trust interests, and closely-held assets are not. Annual valuation of net worth for hundreds or thousands of high-wealth state residents requires capacity that no state currently has.

States can build that capacity, but building it requires hiring valuation specialists, developing audit protocols, establishing legal frameworks for disputed valuations, creating appeal mechanisms, and integrating new reporting requirements with existing state revenue systems. This is buildable within several years of dedicated effort and funding, but no state has yet done it.

Dimension 5: Legal Durability — Exposed to unresolved

State wealth taxes face multiple legal questions, several of which are unresolved.

State constitutional questions vary by state. Federal constitutional questions include the dormant Commerce Clause, the Due Process Clause, the Privileges and Immunities Clause, and the Equal Protection Clause. Exit-tax provisions and look-back provisions face additional scrutiny under the constitutional right to travel established in *Saenz v. Roe* (1999).

State wealth taxes also face statutory federal questions under ERISA preemption, federal banking law, and federal trust law principles.

These are real legal questions, not theoretical objections. None has been resolved by litigation because no state has implemented a wealth tax to be challenged.

Composite View

Dimension	Judgment
Mission Fit	Partial fit
Burden Alignment	Misaligned to uncertain
Avoidance Exposure	High at the very top; modest below it (stratified)

Dimension	Judgment
Administrative Feasibility	Uncertain to buildable
Legal Durability	Exposed to unresolved

What This Evaluation Means

The evaluation does not say state-level wealth taxes are wrong, illegitimate, or undesirable. It says that as currently designed in most state proposals, they face structural problems that would prevent them from functioning as serious public-return mechanisms. The federal BMIT in this plan faces some of the same problems (legal durability, administrative feasibility) but not others — residency-based avoidance is dramatically less available at the federal level, because the migration evidence shows the largest fortunes relocate readily across state lines but face far higher cost and an existing exit-tax regime when leaving the country entirely.

Two findings from the migration literature should temper any reading of this evaluation as simple opposition to state wealth taxes. First, avoidance exposure is stratified: it is severe for the Forbes 400-level fortunes that drive most of the potential revenue, but modest for the broader high-income population nearer the threshold. Second, high exposure does not mean net revenue loss — Moretti and Wilson found that even with substantial billionaire relocation, the revenue from those who remain exceeds the revenue lost from those who leave in the vast majority of states. The honest verdict is that state wealth taxes face serious base-erosion risk at the top that demands careful design, not that they are doomed to lose money.

A state considering a wealth tax could use this evaluation to identify which dimensions require design response before implementation: visible revenue allocation to public-return priorities, illiquid-asset protections, anti-abuse design beyond what residency mobility allows, multi-year capacity building before implementation, and constitutional defenses that engage rather than dismiss the legal questions.

A reader who concludes from this evaluation that the federal BMIT in this plan should also be evaluated against the same five dimensions and judged honestly is using the tool exactly as it is designed to be used.

Appendix D — Scenario Card Template

A short structured response tool from the American Tax Plan Framework

Use this card when a tax provision needs a structured initial response and a full worked evaluation is more apparatus than the situation requires.

Provision name: ______________

One-sentence description: ______________

Intended payer: ______________

1. Mission Fit

Which of the three duties does this provision serve, and how?

- Anti-violence governance: ______________
- Foundational economic security: ______________
- Infrastructure resiliency: ______________

Strongest fit: [Strong / Partial / Weak / None]

2. Burden Alignment

Likely economic bearer (not necessarily the intended payer): ______________

Protected continuity groups at risk:

- Ordinary workers: [Risk / No risk / Unknown]
- Small businesses: [Risk / No risk / Unknown]
- Family farms, ranches, or active operations: [Risk / No risk / Unknown]
- Primary residences: [Risk / No risk / Unknown]
- Retirement savers: [Risk / No risk / Unknown]
- Tribal governments or community assets: [Risk / No risk / Unknown]

Alignment judgment: [Aligned / Misaligned / Uncertain]

3. Avoidance Exposure

Specific avoidance mechanisms this provision is exposed to:

1. ______________
2. ______________
3. ______________

Anti-abuse design currently attached: [Credible / Partial / Absent / Unknown]

Exposure judgment: [Low / Moderate / High / Unresolved]

4. Administrative Feasibility

Administering institution: ______________

Required capacity: [Existing / Buildable / Uncertain / Infeasible]

Specific capacity gaps if any: _______________

5. Legal Durability

Specific legal questions the provision faces:

1. _______________
2. _______________
3. _______________

Durability judgment: [Settled / Defensible / Exposed / Unresolved]

Composite Reading

____

Required Next Step

- [ ] Develop design response to address [specific dimension weakness]
- [ ] Request expert input on [specific dimension]
- [ ] Refer for full worked evaluation
- [ ] Proceed as designed
- [ ] Recommend reserve status until [specific condition]
- [ ] Recommend against inclusion

Filled by: _______________ **Date:** _______________ **Review date:** _______________

Appendix E — The Empirical Record: Project B Findings

The framework's eight load-bearing empirical claims were each classified honestly and sourced against the public-finance and legal literature in a dedicated sourcing phase. The classifications below are the framework's own categories; the underlying sources for each finding are listed in the References. Of the eight, one (P6) required the framework to absorb a substantive methodological correction — the Blouin–Robinson double-counting critique — and arrive at a reconciled $75–$115 billion annual U.S. revenue-loss range. That the framework was moved by an adverse finding, rather than defending its prior number, is the corrigibility discipline operating as intended.

Claim	Topic	Classification
P1	Tax-gap distribution	Supported with refinement
P2	High-wealth migration	Supported with critical refinement
P3	Corporate tax incidence	Contested in magnitude, asymmetrically resolved
P4	Capital-gains realization elasticity	Supported and strengthened
P5	Step-up basis revenue cost	Supported
P6	International profit shifting	Supported with critical refinement
P7	Audit allocation pattern	Supported with extension
P8	Asset-backed borrowing (buy-borrow-die)	Supported

The detailed findings — each with its working claim, the literature, the refinement the framework adopted, and methodological limitations — are integrated into the relevant sections of Appendix A (P1 and P7 in Section VIII; P3 and P6 in Section VII; P4 in Section IV; P5 in Section VI; P8 in Section V). Three figures in the Section VII corporate-incidence discussion remain twice-mediated and carry a standing verification flag pending a primary-source check, as that section notes.

Appendix F — Claims Not Carried Forward

This section records claims that appeared in earlier versions of the American Tax Plan or in adjacent debates that the current framework will not stand behind without further work. Including this section is part of the framework's corrigibility discipline. A serious public-return framework should be willing to name what it has corrected, what it has restricted, and what it has withdrawn, rather than allowing earlier overclaim to circulate alongside corrected language.

The corrections fall into four categories.

Revenue Claims

The most consequential withdrawal concerns the framework's revenue estimates. Earlier versions, particularly the v0.2 revenue annex, presented a range of $2.0 to $2.4 trillion net over ten years as the lead package's revenue potential. That figure should be understood as a working estimate produced from internal assumptions about rate changes, behavioral response, base broadening, and interaction effects. It is not a JCT score, a CBO estimate, or a microsimulation result. The framework does not claim it is. The current framework presents revenue ranges with explicit acknowledgment that they reflect working assumptions rather than formal scoring, and that any serious legislative use would require independent revenue estimation by the appropriate scorekeeping institutions.

A related restriction concerns generalized claims about public-spending returns. The framework cites the National Institute of Building Sciences finding that federal hazard mitigation grants save approximately $6 per $1 invested. That citation is specific to hazard mitigation and to federal grants of that category. The framework does not generalize this finding to other public spending categories.

Distributional Claims

Earlier versions, particularly the v0.3 distributional annex, performed substantial work on incidence questions. That work included a "mixed incidence scenario" assumption that corporate tax burden would fall in a 60/25/15 split between capital, labor, and consumers. The 60/25/15 split is not carried forward. It was a working assumption identified as a central case for analytical purposes, not a finding grounded in a specific empirical model. The actual incidence literature contains substantial disagreement.

The broader distributional claim — that the framework proves its distributional effects across the population — is also restricted. The framework's distributional discipline is to identify who is intended to pay, who is protected, and where burden could unintentionally shift. It does not claim to have proven distribution in the sense that JCT or Tax Policy Center distributional tables prove distribution. That work remains outstanding.

Mechanism Claims

Several mechanisms that earlier versions considered as lead provisions have been moved to reserve status in v1.0. Reserve does not mean withdrawn. It means the mechanism is not currently positioned to lead the framework. The +10% surtax above $100 million income, the megacorporation 28% tier, the direct annual net wealth tax, the broad financial transaction tax, and the broad anti-borrowing rule against asset-backed loans are all reserved pending resolution of specific issues.

The most consequential mechanism claim that has been corrected concerns BMIT. Earlier versions sometimes presented BMIT as if its legal foundations were more settled than they are. The Supreme Court's 2024 decision in *Moore v. United States* upheld the Mandatory Repatriation Tax on narrow attribution grounds while explicitly declining to resolve the broader question of whether realization is constitutionally required for income taxation. Four justices wrote separately to affirm a realization requirement; one wrote separately to reject it; the remaining majority did not decide. The controlling doctrine on a future challenge to a mark-to-market mechanism is not settled. The current framework therefore presents BMIT as a *framework / legal-risk claim*, not a settled legal claim: BMIT is the preferred but contested lead instrument of the framework's extreme-wealth pillar — the pillar leads, and BMIT is the instrument within it carrying explicit conditional status. BMIT is designed with the prepayment-and-portfolio architecture detailed in Section V of the Integrated Framework, and substantive legal review by qualified tax counsel and constitutional litigators is required before BMIT is presented for external implementation. BMIT leads the pillar conditional on that review converging on a defensible post-*Moore* litigation path; if the condition is not met, BMIT moves to reserve status (not rejected, promotable later) and strengthened step-up reform leads the pillar. The framework's commitment is to the work-wealth-parity goal that the pillar serves, not to BMIT's specific survival; the standing portfolio of parallel and fallback mechanisms preserves the goal whether or not BMIT survives. Claims that BMIT is legally settled are not carried forward.

A specific administrative claim should also be corrected. Earlier framing of the framework's enforcement pillar treated "Corporate Transparency Act restoration" as if it referred to restoring pre-2025 beneficial-ownership reporting rules. The March 21, 2025 FinCEN interim final rule narrowed BOI reporting to foreign reporting companies. Restoration is therefore a substantial undertaking — requiring either Congressional action, new rulemaking by a future administration's FinCEN, or judicial review of the interim final rule.

Framing Claims

The most persistent pattern across earlier versions has been framing that ran ahead of the work the framing claimed to describe. The v0.3 distributional annex was sometimes described as having "answered who pays" when it had identified intended payers and surfaced the questions a distributional analysis must answer. The v0.4 governance memo was sometimes described as having "made correction operational" when it had designed the institutions, data sources, cadences, and authorities through which correction should occur. Whether correction actually occurs depends on sustained political will, funded enforcement, and institutional persistence that no statute can fully guarantee.

These framings have been corrected. The current framework does not describe itself as legislatively ready, distributionally proven, legally settled, or finally scored. It describes itself as an integrated working framework — a guide and rallying point intended to fill the gap between implemented tax systems and idealistic-speculative proposals, designed to be used, debated, adapted, and corrected.

Why This Matters

A framework that records its corrections is not a weaker framework. It is a more honest one. Readers can verify what the current claims are by checking the matrix and source list. They can see what earlier versions claimed and what was corrected. They can argue with the corrections themselves, which is part of the corrigibility discipline the framework is built on.

A framework that does not record its corrections produces several specific problems. Earlier overclaim continues to circulate alongside corrected language, and readers cannot tell which represents the current position. Critics can cite the overclaim version against the framework as if it were the current position, and the framework has no clean response. The discipline of correction becomes private — visible to the authors but invisible to readers — which means the corrigibility claim is rhetorical rather than operational.

This section is the public commitment that the framework's corrigibility is operational, not rhetorical.

Appendix G — Provisions by Function

Worker protection. No new direct tax increases on ordinary workers; expanded and simplified EITC; expanded Direct File; audit-priority rule protecting low-income filers absent substantiated fraud risk.

Work-wealth parity. Capital-gains and qualified-dividend parity at high income levels; step-up basis reform for large unrealized gains above high thresholds; extreme-wealth pillar with a preferred-but-contested BMIT instrument and a standing portfolio of supporting mechanisms.

Corporate public return. Higher corporate contribution; minimum-tax floor; stock-buyback taxation; effective-tax-rate disclosure; international coordination against profit shifting.

Enforcement and correction. Restored IRS enforcement targeted at high-dollar noncompliance; protection against enforcement pressure on low-income filers; public-return and correction reporting; claim-source discipline; review and correction triggers.

Protected continuity. Workers; low- and middle-income households; primary homes; retirement accounts; family farms and ranches; small businesses; tribal governments; tribal enterprises; trust lands; treaty-protected rights; culturally significant property; genuine community assets.

Appendix H — External Review Tracks

1. **Tax practitioner** — avoidance channels, valuation problems, entity-structuring responses, administrative burdens, hardship-rule abuse.
2. **Public-finance economist** — revenue, incidence, behavioral response, capital-gains elasticity, corporate-tax progressivity, migration, investment, growth, distribution.
3. **Legal / constitutional tax** — BMIT, post-*Moore* realization risk, direct-tax/apportionment risk, statutory framing, step-up reform, fallback architecture.
4. **Tribal governance / sovereignty** — the consultation scaffold, protected-continuity commitments, classification risks, consultation structure, and whether sovereignty is treated as structural rather than exceptional.
5. **Libertarian-property / anti-tax** — public return, work-wealth parity, taxation as coercion, IRS expansion, public-choice capture, and whether protected continuity sets principled limits.

Glossary

Anti-abuse rule. A provision designed to prevent taxpayers from using technical maneuvers — entity structures, timing, valuation games, jurisdictional shifts — to defeat the purpose of a tax rule while complying with its letter.

Billionaire Minimum Income Tax (BMIT). The preferred but contested lead instrument of the framework's extreme-wealth pillar — not the pillar itself. The *pillar* leads at the top of the wealth distribution; BMIT is the instrument within it that most directly reaches the buy-borrow-die pattern, supported by a standing portfolio of parallel and fallback mechanisms (strengthened step-up reform, tightened capital-gains parity, restored enforcement, Pillar Two alignment) that carry the pillar's goal whether or not BMIT survives review. BMIT is a proposed minimum tax that would apply to households above $100 million in net worth, calculated against a base that includes both realized income and the year's increase in asset value. Designed so that ultra-high-net-worth households cannot reduce their effective tax rate to near zero simply by choosing not to sell assets. Structured as a minimum income tax with accelerated payment rather than a tax on unrealized appreciation: amounts collected on the unrealized-appreciation component are characterized as prepayments of the income tax owed when the gain is realized, creditable against the realized tax liability and refundable if the eventual realized tax liability is smaller. BMIT is paired with the step-up basis reform (the deemed-realization-at-death provision is BMIT's terminal realization event). BMIT is legally exposed and carries explicit *conditional status*: the Supreme Court's 2024 decision in *Moore v. United States* declined to resolve whether realization is constitutionally required for income taxation, and BMIT leads the pillar conditional on counsel review converging on a defensible post-*Moore* litigation path; if that condition is not met, BMIT moves to reserve status (not rejected, promotable later) and strengthened step-up reform leads the pillar. Substantive legal review by qualified counsel is required before the framework's BMIT design is presented for external implementation. The framework's commitment is to the work-wealth-parity goal the pillar serves, not to BMIT as the only instrument.

Capital-gains parity. The principle that, at high income levels, income from selling appreciated assets should be taxed at the same rate as income from work. Currently, long-term capital gains receive preferential rates. Under this plan, ordinary rates apply to capital gains and qualified dividends for households above $1 million in annual income. Preferential rates remain for low- and middle-income investors.

Corrigibility. The capacity of a system to be corrected when evidence shows it is failing its own purposes. In this plan, corrigibility means that every major provision must identify who measures performance, what data they use, how often review occurs, and who has authority to revise, narrow, pause, or remove the provision if it harms protected groups or loses connection to public return.

Lead mechanism. A provision the plan is willing to defend as central to its purpose, even if it carries legal, administrative, or political risk. Lead mechanisms include worker protection, capital-gains parity, step-up reform, BMIT (with caveat), corporate public-return tax, and enforcement restoration.

Protected continuity. Groups, institutions, and assets the plan is designed not to harm: ordinary workers, low- and middle-income households, family homes, small businesses, family farms and ranches, modest inheritances, retirement accounts, tribal governments, tribal enterprises, trust lands, treaty-protected rights, culturally significant property, and genuine community assets. Protection is treated as a design constraint, not a carve-out added after the fact.

Public return. The principle that public revenue is legitimate only when it is visibly returned to the conditions that make ordinary life possible — infrastructure, housing stability, health, education, public safety, disaster readiness, tribal and rural infrastructure, and stabilization of public capacity. Connects the tax plan to the broader civic-resilience framework's three duties: anti-violence governance, foundational economic security, and infrastructure resiliency.

Real economic power. The practical capacity to command resources, shape markets, defer or avoid public obligations, influence public systems, preserve wealth across time, or shift costs onto others — whether or not that power appears as ordinary taxable income in a given year. The phrase is disciplined by thresholds, measurable indicators, public-return justification, protected-continuity guardrails, and correction triggers. It does not authorize unlimited taxation; it identifies the actual location of economic capacity that the tax system should follow.

Reserve mechanism. A provision that may be morally aligned with the plan's purpose but is too legally exposed, administratively unproven, or distributionally uncertain to lead the framework. Reserve mechanisms include the direct net wealth tax, broad financial transaction tax, +10% surtax above $100 million income, megacorporation 28% tier, and broad taxation of asset-backed borrowing. Reserve does not mean rejected; it means not ready to carry the framework.

Step-up basis. A feature of current tax law that resets the cost basis of inherited assets to their market value at the time of the original owner's death. This means lifetime appreciation can pass to heirs without ever being subject to income tax. Step-up reform in this plan would tax large unrealized gains above high exemption thresholds at death or transfer, with active-business and active-farm deferrals, hardship rules, and protections against forced sale.

Values-to-conditions test. The standard against which the plan judges itself and against which readers can judge the tax system: not what fairness, opportunity, or responsibility are declared to be, but whether those values become actual lived conditions for ordinary people. A tax system passes the test when it distributes responsibility according to real economic power and produces public conditions people can live under. It fails when declared fairness coexists with structural advantage for concentrated wealth.

Work-wealth parity. The principle that, at comparable economic capacity, income from labor and income from ownership should be taxed at comparable rates. The current system violates this principle through preferential capital-gains rates, step-up basis, deferral, and asset-backed borrowing without realization. Work-wealth parity is the plan's primary alignment claim: not that wealth should be punished, but that it should not be structurally advantaged over work.

References and Sources

This section consolidates the sources behind the framework's empirical claims, organized by the finding each supports. A small number of sources support more than one finding and are listed under each. Statutory, regulatory, and baseline sources for the framework's current-law figures are listed first.

Statutory, Regulatory, and Baseline Sources

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Colophon

This publication compiles the American Tax Plan working-document set into a single reviewable piece: the companion article *Public Return and Work-Wealth Parity*; the Integrated Framework v1.1; the public-facing Companion Packet v0.1 (glossary, evaluation tool, worked example, scenario-card template, and the claims-not-carried-forward index); the Project B empirical-sourcing record v0.7; and the framework's preparatory legal and sovereignty materials. The underlying working documents carry their own notices and limits, and this compilation does not supersede them.

The framework is the tax-policy expression of a broader civic-resilience corpus developed by the author across governance, sovereignty, public policy, and institutional design. It speaks only for the author and is not presented on behalf of any tribe, government, institution, or employer.