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MARKETS

Biden's Capital-Gains Tax Increases Would Hit Few Americans, Study Says

One proposed change could affect 62% of capital gains but fewer than 3% of taxpayers who report them

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Affluent Americans are worried about President Biden's proposed tax changes on capital gains from stocks, bonds and other assets. But those proposals would hit a sliver of taxpayers, according to a new analysis.

Financial advisers to the wealthy have been fielding calls from anxious clients since the plan was [unveiled last week](#). Many are already deploying a range of tax-reducing strategies in anticipation of the increases, advisers [told The Wall Street Journal](#). But key changes would likely affect only the very wealthy, according to Robert McClelland, a senior fellow at the Tax Policy Center, a joint venture between the Urban Institute and the Brookings Institution.

The Biden plan would increase the top capital-gains tax rate to 43.4% from 23.8% for those earning over \$1 million. Capital gains refer to profits on the sale of assets like stocks, homes or small businesses.