

# Biden, Harris both millionaires, in top one percent of incomes

**Patrick Martin****18 May 2021**

Both President Joe Biden and Vice President Kamala Harris are millionaires, whose income places them in the top one percent of the US population, according to tax returns and personal financial statements that were made public on Monday. May 17 was the deadline this year for US taxpayers to file their tax returns.

Both Joe and Jill Biden and Kamala Harris and her husband Douglas Emhoff had incomes well above the approximately \$539,000-a-year that puts a family into the top one percent. The Bidens made \$607,336, while Harris and Emhoff reported \$1,695,225.

Both the Bidens and Harris and Emhoff filed joint returns and paid tax rates at the standard percentage for their high tax brackets, according to the returns—26 percent for the Bidens, 36.7 percent for Harris and Emhoff.

President Biden and his wife Jill Biden reported the adjusted gross income of \$607,336 in 2020, when he was running for president and she was a community college professor in Virginia. The bulk of their income came from two S corporations the couple established to hold royalties and fees from various books and speaking engagements.

An S corporation is a legal tax dodge regularly employed by the wealthy to shelter income from taxation. According to one analysis, the two S corporations established by the Bidens—CelticCapri Corp. for him, Giacoppa Corp. for her—reported more than \$13 million in profits in 2017 and 2018, and less than \$329,000 in profits in 2019 and 2020, when Biden halted most paid speechmaking to focus on his presidential campaign.

The two corporate entities, which had no function except to avoid taxes, particularly the Medicare surtax of 3.8 percent for higher incomes—a provision of the Affordable Care Act—saved the Bidens an estimated

\$500,000 or more in payments they would otherwise have made to the US Treasury.

The corporations also paid out \$1.3 million in “salaries” to the Bidens, their nominal corporate “executives.” This was the bulk of their family income during the period when Biden was out of office, between leaving the vice-presidency in January 2017 and entering the White House in January 2021.

According to the financial disclosure form, CelticCapri Corp. will remain dormant during the Biden administration, continuing to receive any book royalties but no longer paying him a salary as its president. Giacoppa Corp. may continue to pay a salary to the “first lady.”

Biden has proposed closing this “S corporation loophole,” one with which he is certainly familiar, as part of his proposed tax increases on the wealthy.

In their personal financial statement, which is required by law, the Bidens reported total assets of between \$1.2 million and nearly \$2.9 million. The bulk of this is between \$950,000 and \$2 million in cash held in a number of bank accounts. They also own a mortgaged home in Wilmington, Delaware, and a \$2.7 million beach house on the Atlantic shore, which they bought in 2017, but these are not covered by the disclosure form.

Harris and Emhoff reported an adjusted gross income of \$1,695,225 in 2020, most of it from Emhoff’s legal practice. He was a partner at the law firms of DLA Piper and Venable, both in southern California, where he focused on the entertainment industry. Harris reported her Senate salary of about \$170,000 and about \$360,000 in advances from a publisher for a book she authored as part of her brief presidential campaign.

The couple reported combined assets of between \$3 million and \$7 million, minus a debt of \$2.7 million,

largely on mortgages on two homes.

Neither the Bidens nor Harris and Emhoff would place in the top one percent by net worth, where the cutoff is roughly \$11 million, although both couples are in the top two percent, where the cutoff is \$2.4 million.

Media coverage of the release of this financial information has focused entirely on the contrast between the Bidens and Donald Trump, who refused to release his tax returns throughout his four years in office, the first president in half a century to keep his tax returns secret. The legal battle over subpoenas issued by a House committee continues in the courts, even though Trump's tax returns were ultimately leaked to the media last year.

There has been little or no commentary about the overriding social and political significance of the figures released by the Bidens and Harris-Emhoff, which confirm the oligarchic character of American politics. No one rises to the highest positions in the capitalist state unless they are part of the financial aristocracy. If they were not originally—Biden never tires of citing his modest origins in the lower-middle-class, and he was long considered the poorest member of the US Senate—they ultimately become so in the course of their careers.

Having one or two million dollars in the bank is, needless to say, a life-changing experience. Neither the Bidens nor Harris and Emhoff ever have to concern themselves with the cost of any item they might want in everyday life, even if, after the debacle of George H. W. Bush not knowing the price of a gallon of milk, they might inform themselves of such facts for political reasons.

The social layer into which they have been incorporated, the top one percent of income “earners,” is not a numerically small one. Given the size of the American population, even one percent of families comes to 1.4 million households. Effectively, all political life, at least as far as the Democratic and Republican parties are concerned, is waged within the confines of no more than the top 10 percent, about 14 million households. These include both the narrow circle of actual decision-makers and the broader layer they seek to influence.

The vast majority of the American population, the working people who face an increasingly difficult struggle to make ends meet, and even to survive at all,

are as distant from the Bidens and the social layer to which they belong as they are from the moon. Their only role in capitalist politics is to turn out every two or four years to cast their votes for one or the other of the two corporate-controlled parties who represent the interests of the super-rich.

That is the real nature of American “democracy.”



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