

Hello, and welcome to KPMG's Mobility Matters Express. On the heels of the Biden Administration's release of its Fiscal Year 2023 budget proposals, the U.S. Treasury Department published the Green Book, which is an explanation of the tax proposals in the budget. Some of the proposals, if enacted, could increase taxes for certain individuals. We'd like to draw your attention to a few of them.

One proposal would increase the top marginal tax rate to 39.6% for high-earners (those earning over \$450,000 if married filing jointly, and those earning over \$400,000 if filing single). Capital gains would be taxed at ordinary rates for individuals with taxable income exceeding \$1 million, and a minimum tax of 20% would be imposed on total income for very wealthy taxpayers whose net wealth is greater than \$100 million.

Also, carried interests for higher income individuals would be taxed at ordinary income rates and not benefit from the lower capital gains rates. There is no immediate impact on assignees or assignment programs, since these are just proposals, but worth keeping an eye on. It remains to be seen if these proposals will be legislated. That's your update for today, thanks for listening in.