



Election 2020:

How a Biden win could change the investment environment



The taxation landscape.

The Biden tax plan seeks to raise \$4 trillion of federal revenue over 10 years.

	Current	Biden proposal
Individual		
 Top individual income tax rate	37%	39.6%
Capital gains and dividends	20% tax rate	Taxed as ordinary income for those earning more than \$1 million.
Social Security earnings cap	No tax for income above \$137,700 in 2020	Creates 12.4% payroll tax for wages above \$400,000
Corporations		
 Tax rate	21%	28%

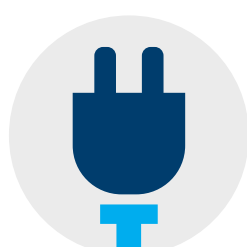
Source: Columbia Threadneedle as of 10/01/20.

If Biden wins, sector winners and losers are likely to change.

The degree of change will be dictated by the party composition of the House and Senate.

Columbia Threadneedle equity analysts identified the core policy initiatives of the Biden campaign and then scored sectors on a scale of -2 to +2, with +2 being very favorable and -2 being very unfavorable relative to the current environment (i.e., existing conditions = 0).

Utilities



0.7

Consumer staples



0.6

Materials



0.4

Real estate



0.3

Consumer discretionary



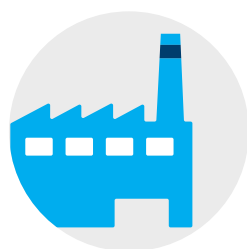
0.2

Information technology



0.1

Industrials



-0.1

Communication services



-0.3

Healthcare



-0.9

Energy



-1.0

Financials



-2.0

To learn more about the factors driving each score, [visit our website](#) →



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