**Discission Response**

Student’s Name

Institutional Affiliations

Course

Date

**Discussion Responses**

**Resposnse1**

A like-kind exchange is a tax-advantaged transaction that allows people to sell one thing and acquire another that is equivalent without paying capital gains tax on the sale of the initial asset. I agree with the student that Biden wants to limit the amount of like-kind trade that may be recognized to prevent tax payers from evading the recognition of significant capital gains. In general, the like-kind exchange rule is important. It should not be limited since it protects taxpayers from incurring excessive expenditures due to high capital gains taxes on the traded item. The student's questions at the end of his discussion are relevant to the topic under discussion and can help explore the discussion in detail. To answer his question, I can say that the like-kind exchange rule is fair, and congress should review the proposal properly before justifying any change (Like-Kind Exchanges, n.d).

**Response 2**

I agree with the student's assessment that Biden's approach to the American family plan makes no sense since, rather than helping the issue, it would exacerbate it in the future. Tax law is usually designed to promote social goals and equality, but Biden's approach does not appear to consider these factors. In the first place, tax brackets should be uniform for both income groups, and this method of dividing high- and low-income earners is a discriminatory tax system that should be avoided. In addition, I agree with the student's opinion that the best course of action for Biden is to raise the tax bracket for long-term capital gains so that the taxes paid to appear equal in comparison to the existing tax situation (Analysis of Biden’s Tax Proposal, 2021).

**References**

Analysis of Biden’s Tax Proposal, (2021). Details And Analysis Od Tax Proposals in Presidents Biden’s American Families Plan. Retrieved from <https://taxfoundation.org/american-families-plan/>

Like-Kind Exchanges, (n.d). Like-Kind Exchanges- Real Estate Tax Tips. Retrieved from [**https://www.irs.gov/businesses/small-businesses-self-employed/like-kind-exchanges-real-estate-tax-tips**](https://www.irs.gov/businesses/small-businesses-self-employed/like-kind-exchanges-real-estate-tax-tips)