



Americans' Budget Priorities

Nationwide Survey Among 1,009 2012 Voters
Conducted October 25-30, 2013; M.O.E. +/-3.1%
for

AMERICANS FOR
TaxFairness

Overview of Findings

- ◆ A debate framed in terms of how much to cut federal spending means playing on Republicans' turf. Avoid this trap by going on offense on tax fairness: increasing revenue from the wealthy and corporations.
- ◆ Voters reject a cuts-only approach to the budget, and strongly support revenue from wealthy/corporations.
- ◆ Public says replace at least half of sequester cuts by closing corporate tax loopholes and ending tax breaks for wealthy.
- ◆ Voters want job creation in budget equation, not singular focus on deficit. But public still desires deficit reduction and limiting spending.
- ◆ Little public support for reducing high-end or corporate tax rates as part of tax reform.

Americans Want Congress to Focus on Both Jobs and the Deficit, Not Deficit Alone

Which better describes the budget priorities you would like Congress to follow?

Focus on strengthening the economy and creating jobs, while also tackling our deficit responsibly



Focus on getting our budget deficit under control and bringing down the national debt



↑
+40

Public Wants a Mix of Revenue and Spending Cuts, Not a Cuts-Only Budget

Which budget plan do you prefer?

Budget that increases tax revenue from the wealthy and corporations and also cuts spending



Budget that cuts spending, with no tax increases



Public Wants a Mix of Revenue and Spending Cuts, Not a Cuts-Only Budget

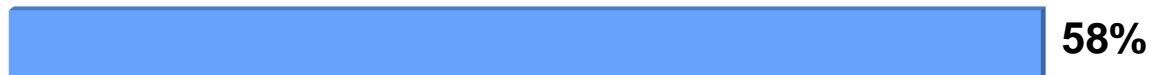
Which budget plan do you prefer?

	Revenue/ Cuts	Cuts Only		Revenue/ Cuts	Cuts Only
All voters	56%	39%	2014 swing voters	67%	27%
Democrats	74%	21%	Moderates	69%	27%
Independents	57%	38%	Sen. Battleground States	59%	32%
Republicans	33%	61%	Red State/Dem Senator	54%	38%
Republicans:			Men	50%	46%
Tea Party	23%	73%	Women	61%	32%
Non-Tea Party	45%	47%	White non-college grads	55%	40%
Men	27%	69%	White college grads	58%	38%
Women	40%	52%	Northeast	62%	35%
			South	49%	45%
			Midwest	55%	39%
			West	63%	33%

Voters Want Budget to Raise Revenue from Wealthy and Corporations – Especially by Closing Loopholes

In each pair, which budget plan do you prefer?

Budget that *increases tax revenue* from the wealthy and corporations



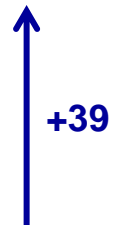
Budget that does not increase taxes on any American



Budget that *closes corporate tax loopholes and limits tax breaks* for the wealthy



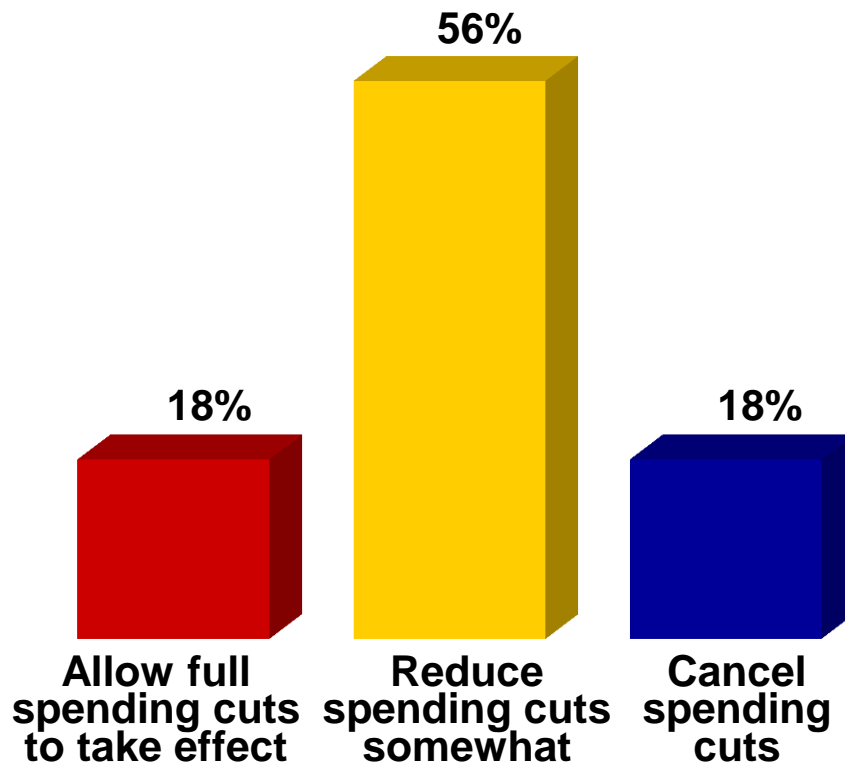
Budget that does not increase taxes on any American



Voters Want the Sequester Reduced, But Not Cancelled

In the coming year, the automatic spending cuts will reduce domestic and military spending by \$110 billion if Congress takes no action. Which is the best way for Congress to deal with these automatic spending cuts?

All voters



Initial View of Automatic Spending Cuts/Sequester

Familiar with/favorable	22%
Familiar with/unfavorable	29%
Not sure/not familiar with	49%

Voters Favor Replacing Automatic Cuts with Revenue

In each pair, which approach for dealing with the automatic spending cuts do you prefer?

Reduce the spending cuts by 50% and replace them with new tax revenue from the wealthy and corporations



Allow the full spending cuts to take effect



Cancel the spending cuts and replace them with new tax revenue from the wealthy and corporations



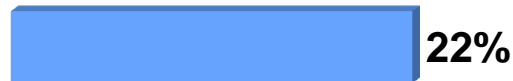
Allow the full spending cuts to take effect



Overwhelming Opposition to Entitlement Cuts

Which approach for dealing with the automatic spending cuts do you prefer?

Avoid spending cuts this year, paid for by reducing spending on Medicare and Social Security in future years



Allow the full spending cuts to take effect

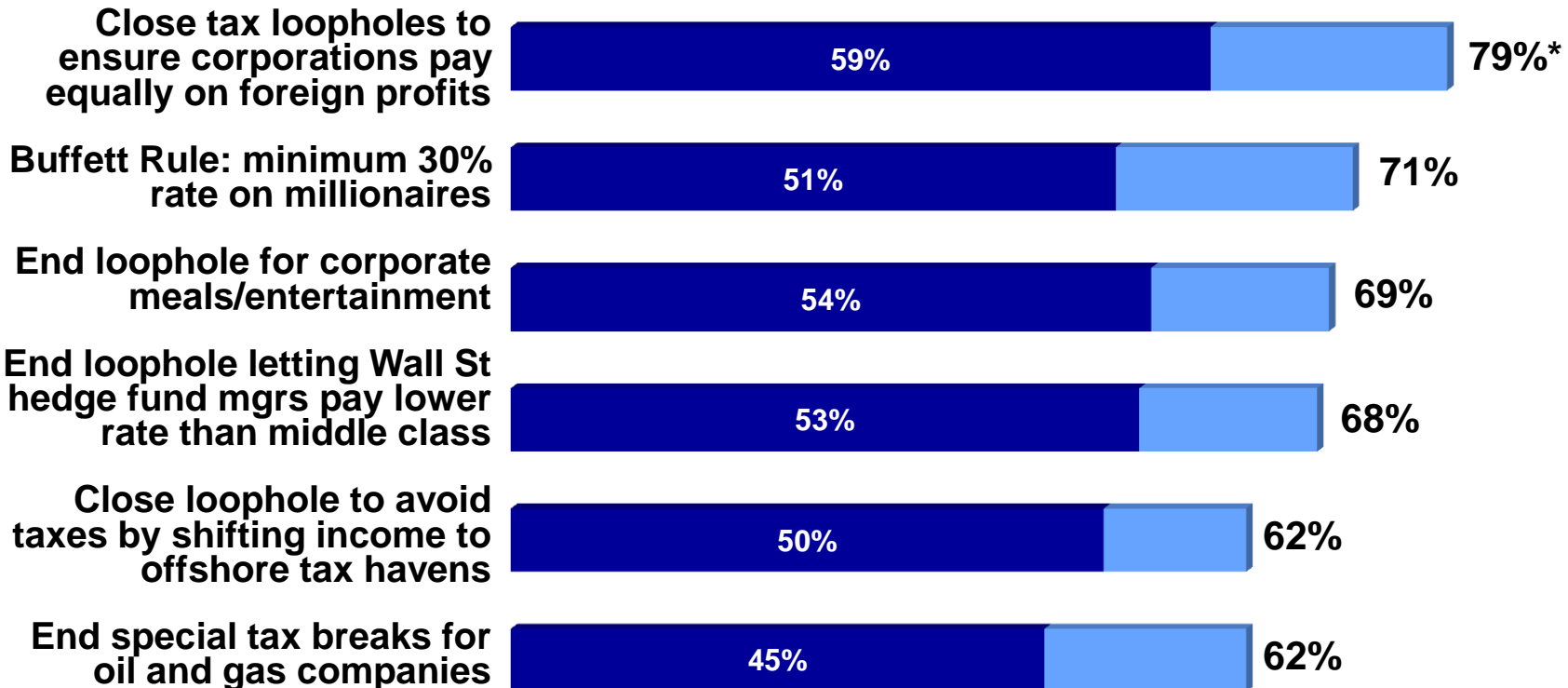
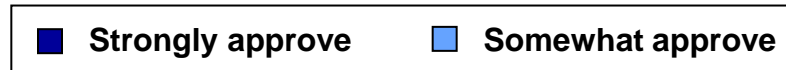


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- To replace sequester: 70% prefer revenue, 12% prefer cuts in SS/Medicare.
- 85% oppose asking seniors to pay more for Medicare.
- 83% oppose cutting Medicaid health coverage.
- 67% oppose reducing Social Security COLA.
- Call “entitlements” by their real name: Voters favor cutting “spending on entitlements” by 17 points, but oppose cuts in “spending on Social Security and Medicare” by 65 points.

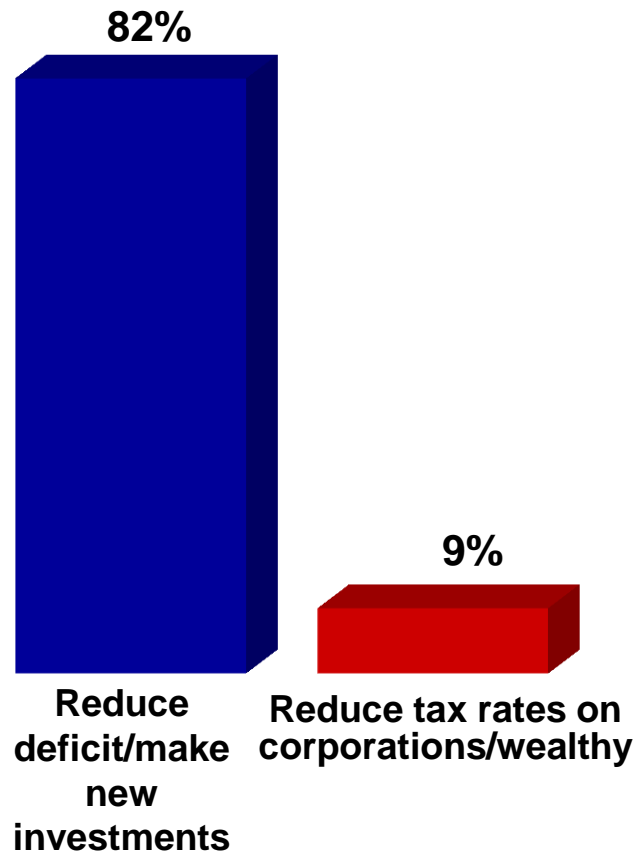
Strong Support for Progressive Revenue Measures



*70% oppose lowering the tax rate U.S. corporations pay on foreign profits.

Use Tax Reform Revenue for Public Investment and Deficit Reduction, not Rate Cuts

How should tax revenue from closing corporate loopholes and limiting deductions for wealthy be used?



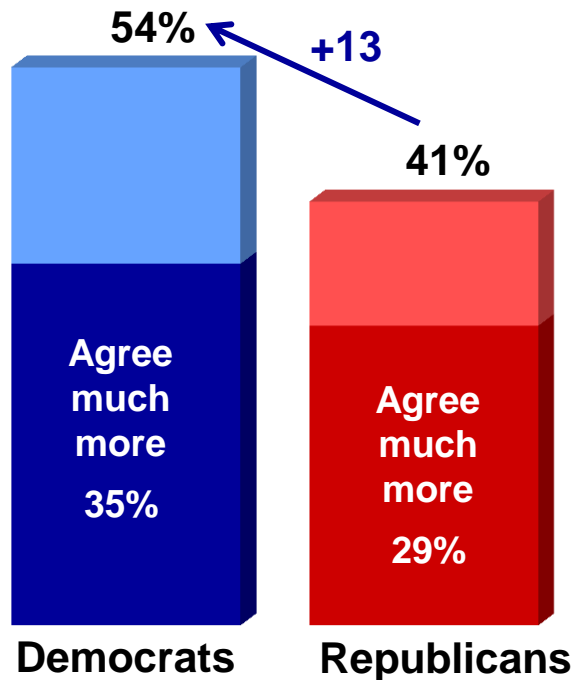
With which statement about corporate tax reform do you agree more?

55% Democrats: "It's time to stop corporate tax dodging and invest in the U.S. again. If we close tax loopholes for corporations that ship profits and jobs offshore, we can raise billions of dollars to invest in America--making classrooms less crowded, improving roads and bridges, and making us energy independent."

35% Republicans: "We need a corporate tax system that ensures our companies can compete against foreign companies on a level playing field. Our tax system needs to be changed so that companies bring their overseas earnings back home to create jobs and invest in American workers."

Democratic Message on Revenue, Jobs, and Services Wins Budget Debate

With which statement on the budget and taxes do you agree more?



DEMOCRATS: "Our highest priority is to create the conditions for job creation, economic growth, and prosperity built from the middle-out, not the top down. We should replace harmful automatic spending cuts with smart, balanced deficit reduction, while making essential investments in education, job training, and infrastructure to create jobs for the American people. And we should ask the wealthy and large corporations to pay their fair share of taxes, rather than hurt our communities by cutting healthcare, education, and public safety."

REPUBLICANS: "The best way to get our economy growing again and create jobs is to reduce federal spending and bring down the budget deficit. We must not continue the irresponsible and unsustainable spending that has left us with a seventeen trillion dollar debt that threatens the future for our children and grandchildren. And the last thing we need is further tax hikes that will kill jobs and hurt our economy--we don't have a deficit problem because taxes are too low, we have it because the government spends too much."

Strongest Democratic Messages Focus on Tax/Spending Tradeoffs

Very Convincing Reason to Support Democrats' Budget Priorities

- 55%** We should end tax breaks for companies that ship jobs and profits offshore, and level the playing field for small businesses that create jobs in America.
- 54%** We should close tax loopholes for large corporations that ship jobs offshore, and instead use that money to invest in jobs in America by improving our roads and bridges and rebuilding manufacturing.
- 50%** Instead of cutting education funding for our children, we should ask millionaires to pay at least as high a tax rate as their secretaries.
- 48%** It's better to end huge tax subsidies to oil and gas companies making record profits than to make seniors pay more for Medicare.

Weaker messages: 1) We've already cut \$1.9 trillion and reduced deficit by half, so time to focus on jobs not just deficit (29%); 2) We need a balanced approach to deficit reduction, so for every \$1 in cuts should be \$1 in revenue (28%).

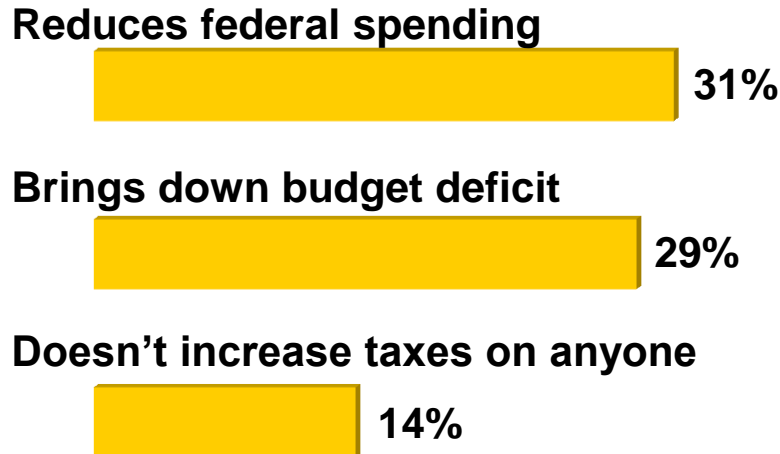
Strongest Criticisms of GOP Hit Refusal to Raise Revenue from Wealthy/Corporations

Very Serious Concern about Republicans' Budget Priorities

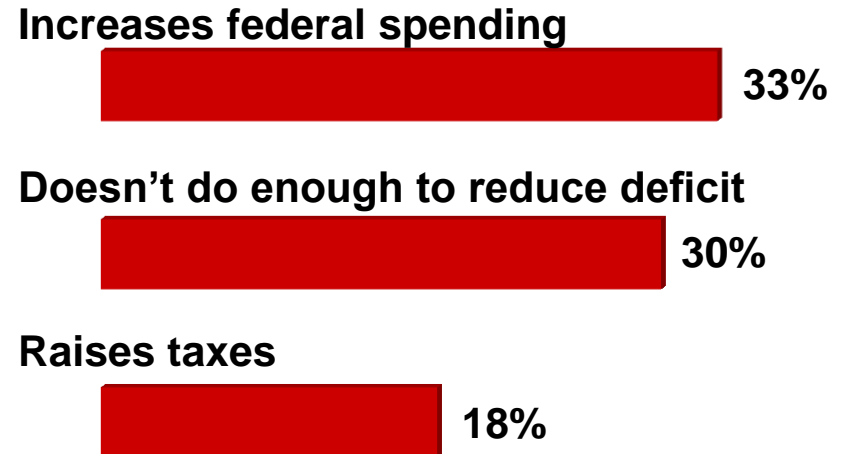
- 55%** We need leaders to compromise to avoid another crisis, but nearly every Republican in Congress has signed an irresponsible pledge promising that they will never vote to raise even one penny of revenue by closing tax loopholes for the wealthy and big corporations.
- 54%** Republicans in Congress are proposing irresponsible new tax cuts for the wealthy and corporations, while putting the entire burden of deficit reduction on the backs of the middle class and vulnerable families.
- 53%** Republicans in Congress favor giving more tax breaks to the wealthiest Americans and large corporations, while demanding cuts in services our families depend on, like college loans, nutrition assistance for seniors, and Head Start.
- 50%** Republicans in Congress are breaking their promise to seniors by pushing to end the Medicare guarantee and replace it with a voucher plan that shifts costs to seniors.
- 49%** Republicans in Congress are protecting tax breaks for companies that ship jobs offshore, taking jobs away from American workers and hurting our communities.

Republicans Have Much More to Fear Than Democrats from Tax Issue

Which one of these is the best reason to consider **supporting** the Republicans' budget proposal?



Which one of these is your biggest **concern** about the Democrats' budget proposal?



On taxes, voters are more concerned that the Republicans will go too far in protecting tax breaks for the wealthy and large corporations (44%) than that the Democrats will go to far in raising taxes (35%).



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