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Interviews: 1,006 2012 voters
Dates: January 18-22, 2013

FINAL

Study #10840
Tax Reform Survey
January 2013

48 Male
52 Female
[109]

Please note: all results are shown as percentages unless otherwise stated.

(ASK TO SPEAK WITH PERSON ON QUOTA SHEET. ONLY THIS PERSON IS ELIGIBLE TO BE INTERVIEWED)

I'm calling from GHY Research, an independent public opinion polling firm. We are conducting a national survey, and I'd really appreciate the chance to get your opinions on a few questions. This survey is being conducted for research purposes only, and we promise that your name and individual opinions will be kept confidential.

1a. Are you currently registered to vote at this address?

Yes, registered	100	CONTINUE	[139]
No, not registered	-	TERMINATE	
Not sure	-		

1b. Did you vote in last November's elections for president and other offices?

Yes, voted.....	100	CONTINUE	[140]
No, did not vote.....	-	TERMINATE	
Not sure	-		

1c. For statistical purposes only, would you please tell me how old you are? (IF "REFUSED," ASK:) Well, would you tell me which age group you belong to?

18-24	10	[150-151]
25-29	8	
30-34	9	
35-39	8	
40-44	9	
45-49	10	
50-54	9	
55-59	10	
60-64	10	
65-69	7	
70-74	5	
75 and over.....	5	
Refused	-	

1d. And to ensure that we have a representative sample, would you please tell me whether you are from a Hispanic or Spanish-speaking background?

Yes, Hispanic.....	9	[152]
No, not Hispanic	91	
Not sure/refused.....	-	

1e. And what is your race—white, black or African American, Asian, or something else?

White	74	[153]
Black/African American	12	
Asian	2	
Other	3	
Hispanic (VOL)	8	
Not sure/refused.....	1	

1f. How would you describe your overall point of view in terms of the political parties? Would you say you are **(READ LIST)?**

Mostly Democratic	31	[154]
Leaning Democratic.....	11	
Completely independent.....	20	
Leaning Republican.....	12	
Mostly Republican	23	
Not sure.....	3	

2a. I'm going to read you descriptions of different groups of people and institutions, and for each one I would like you to tell me whether you feel this group should be paying more in taxes than it does today, should be paying less in taxes than it does today, or is paying about the right amount today.

(READ ITEM) (IF "MORE" OR "LESS" ASK:) Is that a lot or just somewhat?

THIS TABLE HAS BEEN RANKED BY THE PERCENTAGE WHO SAY TOTAL SHOULD PAY MORE

	Total Should Pay More	Total Should Pay Less	Should Pay More <u>A Lot</u>	Should Pay More Just <u>Somewhat</u>	Paying The Right <u>Amount</u>	Should Pay Less <u>A Lot</u>	Should Pay Less Just <u>Somewhat</u>	Not <u>Sure</u>	
The richest two percent.....	66	9	41	25	20	5	4	5	[155]
Large corporations.....	64	11	36	28	18	7	4	7	[157]
The middle class.....	9	41	1	8	46	27	14	4	[156]

2b. In general, do you think tax rates on corporations should be higher, should be lower, or should be kept at the current level?

	<u>1/13</u>	<u>6/12</u>	
Should be higher.....	48	60	[158]
Should be lower	16	14	
Should be kept at the current level.....	27	26	
Not sure	9	-	

3. When it comes to dealing with the issue of taxes, which of these candidates would you be more likely to support?

	<u>1/13</u>	<u>4/12</u>	
A candidate who favors raising taxes on the wealthy and large corporations....	56	56	[159]
A candidate who opposes any increase in taxes	33	33	
Neither (VOL).....	7	5	
Not sure	4	6	

Now I have some questions on the issue of federal taxes and the budget. . .

4. On January first, Congress passed a bill to address the so-called "fiscal cliff." Which of these two statements about the fiscal cliff bill and taxes do you agree with more?

The fiscal cliff bill raised taxes on the rich enough, and now the wealthy should not have to pay any more in taxes	28	[160]
We still need to do more to make sure the wealthy pay their fair share of taxes.....	59	
Neither (VOL)	8	
Not sure.....	5	

5a. Now Congress and the president need to reach a new budget agreement in the next few months dealing with taxes and spending. In general, who do you have more confidence in to have the right approach on these issues? *

President Obama.....	46	[161]
The Republicans in Congress.....	33	
No difference/neither (VOL).....	18	
Not sure.....	3	

* Asked of one-half the respondents (FORMS A/C).

5b. Now Congress and the president need to reach a new budget agreement in the next few months dealing with taxes and spending. In general, who do you have more confidence in to have the right approach on these issues? **

The Democrats	40	[162]
The Republicans.....	33	
No difference/neither (VOL).....	23	
Not sure	4	

* Asked of one-half the respondents (FORMS B/D).

6a. Congress is considering legislation to reform the tax system by closing loopholes and limiting deductions for wealthy individuals. In your opinion, how should tax revenue raised from these reforms be used?

To reduce the budget deficit and make public investments....	66	[163]
To reduce tax rates	23	
Not sure	11	

6b. Which of these two approaches for dealing with the budget deficit do you prefer? *

- A) A bill that only cuts spending, with no increase in taxes, or
- B) A bill that both increases tax revenue from the wealthy and corporations, and also cuts spending

A) cuts spending/no increase in taxes.....	38	[164]
B) increases tax revenue/also cuts spending.....	54	
Neither (VOL)	4	
Not sure.....	4	

* Asked of one-half the respondents (FORMS A/C).

6c. Which of these two approaches for dealing with the budget deficit do you prefer? **

- A) A bill that only cuts spending, with no increase in taxes, or
- B) A bill that increases tax revenue from the wealthy and corporations, and does not cut spending

A) cuts spending/no increase in taxes.....	48	[165]
B) increases tax revenue/does not cut spending	36	
Neither (VOL)	12	
Not sure.....	4	

* Asked of one-half the respondents (FORMS B/D).

7a/b. Here are some goals that Congress and the president might try to achieve as they pass a new budget bill. Please rate how important each one of these goals is to you, using a scale from zero to 10, on which a "0" means it is not important and a "10" means it should be an extremely important goal for a budget bill. You may use any number from zero to 10, depending on how strongly you feel.

THIS TABLE HAS BEEN RANKED BY THE PERCENTAGE WHO SAY EXTREMELY IMPORTANT (RATINGS OF "9-10")

	<u>Mean</u>	Extremely Important		Not Important		<u>Cannot Rate</u>	
		<u>9-10</u>	<u>6-8</u>	<u>3-5</u>	<u>0-2</u>		
Protect K-to-twelve education from cuts *	8.4	64	18	12	5	1	[172-173]
Reduce the federal budget deficit.....	8.5	62	26	9	3	-	[166-167]
Protect Social Security and Medicare from cuts *	8.2	58	24	12	5	1	[170-171]
Reduce federal government spending	8.1	57	21	17	4	1	[174-175]
Make sure big corporations pay their fair share of taxes **	7.9	55	23	15	7	-	[224-225]
Close tax loopholes that benefit big corporations **	7.9	51	29	15	5	-	[226-227]
Make sure the rich pay their fair share of taxes	7.5	49	24	15	11	1	[168-169]
Increase public investments to create jobs **.....	7.3	48	25	13	12	2	[222-223]
Protect Medicaid from cuts **.....	7.5	46	26	20	7	1	[216-217]
Reform entitlement programs, such as Social Security and Medicare **.....	6.7	35	29	19	13	4	[228-229]
Eliminate tax breaks that benefit the rich *	6.5	35	25	22	17	1	[208-209]
Reform entitlement programs *	7.1	34	29	23	7	7	[210-211]
Make sure big corporations pay more in taxes *	6.4	33	26	24	16	1	[178-179]
Reduce tax rates on all taxpayers *.....	5.6	21	23	37	18	1	[176-177]
Reduce tax rates on corporations **.....	3.9	11	19	27	42	1	[220-221]

* Asked of one-half the respondents (FORMS A/C).
** Asked of one-half the respondents (FORMS B/D).

8a/b. I'm going to read you two statements. Please tell me whether you agree more with Democrats or more with Republicans on this issue. (IF RESPONDENT MAKES A CHOICE, ASK:) Do you agree with that statement somewhat more or much more?

Democrats say that the next budget agreement should include new tax revenue from limiting tax breaks for wealthy individuals and corporations, in addition to spending cuts	57	[230-231]
Much more	35	
Somewhat more	22	
Republicans say the next budget agreement should include only spending cuts, with no increase in taxes on anyone	39	
Somewhat more	16	
Much more	23	
Not sure.....	4	

9a. Now I'm going to read you a pair of statements about the budget and taxes. After I read each pair, please tell me whether you agree more with the Republicans' statement or more with the Democrats' statement.

Republicans say, "Congress just passed a huge tax increase, and already President Obama is demanding more tax increases. But further tax hikes will kill jobs, hurt our economy, and endanger our children's future. Now we need to cut spending on the wasteful government programs that are the real source of our deficit. We don't have a deficit problem because we tax too little, we have it because we spend too much."

Democrats say, "Congress has already cut one point five trillion dollars in spending. It is time for the wealthy and big corporations to pay their fair share of taxes. We can reduce the deficit by eliminating some tax breaks that benefit only the wealthiest Americans. To create jobs at home, we should close loopholes that corporations use to send profits and jobs overseas. It is wrong to cut Medicaid and education just to protect tax breaks for millionaires and oil companies."

Do you agree more with the Republicans' statement or more with the Democrats' statement? **(IF RESPONDENT MAKES A CHOICE, ASK:)** Do you **(RESPONSE IN Q.9a)** strongly or not so strongly? *

Agree With Republicans' Statement	39	
Strongly	30	[232-233]
Not so strongly	9	
Agree With Democrats' Statement	55	
Not so strongly	11	
Strongly	44	
Neither (VOL)	4	
Not sure	2	

* Asked of one-half the respondents (FORMS A/C).

9b. Now I'm going to read you a pair of statements about the budget and taxes. After I read each pair, please tell me whether you agree more with the Republicans' statement or more with the Democrats' statement.

Republicans say, "Congress just passed a huge tax increase, and already President Obama is demanding more tax increases. But further tax hikes will kill jobs, hurt our economy, and endanger our children's future. Now we need to cut spending on the wasteful government programs that are the real source of our deficit. We don't have a deficit problem because we tax too little, we have it because we spend too much."

Democrats say, "It's wrong to balance the budget on the backs of the middle class by relying only on cuts to vital programs such as Medicaid and education. Instead of taking away families' health care, we should limit tax deductions for the richest two percent. Instead of cutting funding for schools, let's end tax breaks for corporations that send jobs overseas. If we ask the rich and large corporations to pay their fair share, we can be fiscally responsible and protect the middle class."

Do you agree more with the Republicans' statement or more with the Democrats' statement? **(IF RESPONDENT MAKES A CHOICE, ASK:)** Do you **(RESPONSE IN Q.9c)** strongly or not so strongly? **

Agree With Republicans' Statement	37	
Strongly	29	[234-235]
Not so strongly	8	
Agree With Democrats' Statement	55	
Not so strongly	11	
Strongly	44	
Neither (VOL)	5	
Not sure	3	

** Asked of one-half the respondents (FORMS B/D).

12. Now I'd like to get your reaction to some policies that may be considered by Congress for reducing the federal budget deficit. For each one, please tell me whether you strongly approve, somewhat approve, somewhat disapprove, or strongly disapprove of this proposal.

THIS TABLE HAS BEEN RANKED BY THE PERCENTAGE WHO SAY TOTAL APPROVE

	Total Approve	Total Disapprove	<u>Strongly Approve</u>	<u>Somewhat Approve</u>	<u>Somewhat Disapprove</u>	<u>Strongly Disapprove</u>	<u>Not Sure</u>	
Increase taxes on the profits that American corporations make overseas, to ensure they pay as much on foreign profits as they do on profits made in the United States *	83	13	59	24	7	6	4	[247]
Make sure that all corporations pay at least a twenty-five percent income tax on the profits they earn overseas *	77	15	55	22	7	8	8	[254]
Eliminate the loophole that allows hedge fund managers to pay a lower tax rate than middle-class taxpayers *	75	20	57	18	6	14	5	[253]
Close loopholes that allow corporations and wealthy individuals to avoid paying U.S. taxes by shifting income to overseas tax havens **	73	25	58	15	7	18	2	[257]
Place a surtax of five percent on a person's income over ten million dollars per year **	73	22	49	24	8	14	5	[258]
Place a surtax of five percent on a person's income over one million dollars per year *	67	28	41	26	9	19	5	[248]
Prevent corporations from avoiding taxes when they award their executives millions of dollars in stock options **	63	34	48	15	8	26	3	[264]
Establish a small Wall Street sales tax on all trading in stocks and bonds and other financial market trades. For example, for every ten thousand dollars in a trade the tax would be three dollars **	62	31	34	28	11	20	7	[259]
Establish a small tax on all trading in stocks and bonds and other financial market trades. For example, for every ten thousand dollars in a trade the tax would be three dollars *	61	32	31	30	12	20	7	[249]
Eliminate the loophole that allows wealthy families to avoid paying any capital gains taxes on stocks and bonds that they inherit	60	35	40	20	12	23	5	[245/255]
Eliminate tax breaks for oil companies **	59	36	40	19	13	23	5	[263]
Limit tax breaks for people making over two hundred fifty thousand dollars a year **	56	41	33	23	15	26	3	[256]
Limit tax deductions for people making over two hundred fifty thousand dollars a year *	55	41	26	29	18	23	4	[246]
For those making over two hundred fifty thousand dollars, end the lower tax rate on income from selling stocks and other assets *	52	36	24	28	17	19	12	[250]
For those making over two hundred fifty thousand dollars, end the lower tax rate on dividend income from stocks **	48	39	25	23	16	23	13	[260]

* Asked of one-half the respondents (FORMS A/C).

** Asked of one-half the respondents (FORMS B/D).

Q.12 (cont'd)	Total Approve	Total Disapprove	Strongly Approve	Somewhat Approve	Somewhat Disapprove	Strongly Disapprove	Not Sure	
Raise the age for Medicare eligibility from sixty-five to sixty-seven *	39	58	15	24	17	41	3	[252]
Reduce the annual cost-of-living increase for Social Security benefits **	29	65	13	16	14	51	6	[262]
Allow corporations to not pay any U.S. taxes on profits that they earn in foreign countries **	20	73	11	9	16	57	7	[265]
Cut the Medicaid health program **	17	80	6	11	17	63	3	[261]
Cut spending on K-through-twelve public education *	13	83	6	7	12	71	4	[251]

* Asked of one-half the respondents (FORMS A/C).
** Asked of one-half the respondents (FORMS B/D).

13a. Now I'm going to read you a pair of statements about one specific proposal, the idea of limiting tax breaks for incomes over two hundred fifty thousand dollars. After I read them, please tell me whether you agree more with the Republicans' statement or more with the Democrats' statement.

Republicans say, "President Obama and the Democrats just raised taxes on small businesses and many families across America. Raising taxes again will not solve Washington's spending problem, it will only hurt our economy and destroy jobs."

Democrats say, "limiting the tax breaks that wealthy people get will make the tax system more fair. On average, the richest one percent receive over two hundred and seventy thousand dollars in tax breaks, and we just can't afford to keep giving special breaks to those who need it the least."

Do you agree more with the Republicans' statement or more with the Democrats' statement? **(IF RESPONDENT MAKES A CHOICE, ASK:)** Do you agree with that statement strongly or not so strongly? *

Agree With Republicans	41	
Strongly.....	31	[266-267]
Not so strongly	10	
Agree With Democrats	53	
Not so strongly	13	
Strongly.....	40	
Neither (VOL).....	3	
Not sure	3	

* Asked of one-half the respondents (FORMS A/C).

13b. Now I'm going to read you a pair of statements about one specific proposal, the idea of limiting tax breaks for incomes over two hundred fifty thousand dollars. After I read them, please tell me whether you agree more with the Republicans' statement or more with the Democrats' statement.

Republicans say, "President Obama and the Democrats just raised taxes on small businesses and many families across America. Raising taxes again will not solve Washington's spending problem, it will only hurt our economy and destroy jobs."

Democrats say, "limiting the tax breaks that wealthy people get will make the tax system more fair. It's not right that the wealthy receive a larger tax break than middle-class families when they have a home mortgage, contribute to a 401k, or pay property taxes."

Do you agree more with the Republicans' statement or more with the Democrats' statement? **(IF RESPONDENT MAKES A CHOICE, ASK:)** Do you agree with that statement strongly or not so strongly? **

Agree With Republicans	42	
Strongly.....	31	[268-269]
Not so strongly	11	
Agree With Democrats	54	
Not so strongly	15	
Strongly.....	39	
Neither (VOL).....	2	
Not sure	2	

* Asked of one-half the respondents (FORMS B/D).

FACTUALS: Now I am going to ask you a few questions for statistical purposes only.

F1. What is the last grade that you completed in school?

Grade school	-	[322-323]
Some high school	3	
High school graduate	24	
Some college, no degree	20	
Vocational training/2-year college	8	
4-year college/bachelor's degree	24	
Some postgraduate work, no degree	3	
2 or 3 years' postgraduate work/master's degree	12	
Doctoral/law degree	3	
Not sure/refused	3	

F2. Thinking about your general approach to issues, do you consider yourself to be liberal, moderate, or conservative?

Liberal.....	21	[324]
Moderate	36	
Conservative	36	
Not sure.....	7	

F3. In the recent election for president, did you vote for Barack Obama, the Democrat, or Mitt Romney, the Republican?

Voted for Obama	48	[325]
Voted for Romney.....	39	
Voted for other candidate (VOL).....	5	
Refused/can't recall	8	

F4. Are you a member of a labor union?

(ASK ONLY OF RESPONDENTS WHO SAY THEY ARE NOT A UNION MEMBER OR ARE NOT SURE IN Q.F4a.)

F4b. Is anyone else in this household a member of a labor union?

Labor union member	14	[326-327]
Labor union household.....	7	
Non-union household.....	75	
Not sure	4	

F5a. What is your religion?

Protestant (includes Baptist, Lutheran, Methodist, Episcopal, Presbyterian, and other Christians)	50	CONTINUE	[328]
Catholic	18		
Jewish	1	Skip to Q.F6	
Mormon	2		
Other	9	CONTINUE	
None.....	13	Skip to Q.F6	
Not sure/refused.....	7		

(ASK ONLY OF RESPONDENTS SAY "PROTESTANT" OR "OTHER" IN Q.F5a.)

F5b. Do you consider yourself to be an evangelical or born-again Christian?

Yes, evangelical/born again	27	[329]
No, not evangelical/born again	28	
Not sure/refused	4	
Catholic/Jewish/Mormon/None/Not sure (Q.F5a)	41	

F6. If you added together the yearly income of all the members of your family who were living at home last year, would the total be less than twenty thousand dollars, between twenty thousand dollars and forty thousand dollars, between forty thousand dollars and sixty thousand dollars, between sixty thousand dollars and eighty thousand dollars, between eighty thousand dollars and one hundred thousand dollars, or would the total be more than one hundred thousand dollars?

Less than \$20,000	8	[330]
Between \$20,000 and \$40,000	15	
Between \$40,000 and \$60,000	17	
Between \$60,000 and \$80,000	14	
Between \$80,000 and \$100,000	11	
More than \$100,000	17	
Not sure/refused	18	