

Support for Biden's Tax and Economic Plans

Findings from a Nationwide Online Poll of Registered Voters

June 2021

Survey Methodology



ALG Research and Hart Research conducted a nationwide online survey of registered voters. Interviews were conducted in English and Spanish.



The survey consisted of N=1104 respondents, including a base sample of n=805 registered voters and an n=299 oversample of Independents.



Interviews were conducted May 20-25, 2021.



The 95% confidence interval for the base sample is +/- 3.45 percentage points. The 95% confidence interval for subgroups varies and is higher.

Key Findings (1 of 2)

- Ensuring that the wealthy and corporations pay their fair share in taxes is a top priority for voters, matching “creating jobs” and substantially ahead of rebuilding infrastructure in importance.
- By a 29-point margin voters believe raising taxes on the wealthy will *help* the economy, and fully 69% favor raising taxes on the wealthy and corporations.
- President Biden’s core revenue proposals are very popular: 67% favor raising taxes on those earning \$400K+ and 62% favor raising the corporate tax rate to 28%. Indeed, every proposal tested that raises taxes on the wealthy and corporations is supported by at least 55% of voters, with most generating over two-thirds support.
 - 72% support closing the loophole that allows the wealthy to avoid paying taxes on investment gains (“step up basis”).
 - 70% support raising the corporate tax rate on foreign profits from 11% to 28% to equal the tax rate on domestic profits
- By a 7-to-1 ratio voters prefer funding Biden’s economic plan by raising taxes on the wealthy and corporations over borrowing and increasing the debt.
- Support for President Biden’s economic plan grows by 7 points when voters learn about key investments, but grows even more – by 11 points – if they are also told the plan is funded by higher taxes on the wealthy and corporations.
- By a 10-point margin, voters continue to support Biden’s economic plan after exposure to both strong opposition attacks on the plan and positive messages, though by a smaller margin.

Key Findings (2 of 2)

- The clear top tax-related message in favor of the president's economic plan highlights how 55 of America's biggest corporations paid no federal income taxes last year and that the president's plan rewards work, not wealth:

55 of America's biggest corporations paid no federal income taxes last year and the wealth of just 650 billionaires rose by 50%, all while millions of working Americans suffered. This plan will help build an economy that rewards work, not wealth, and ensure the wealthy and big corporations pay their fair share of taxes.

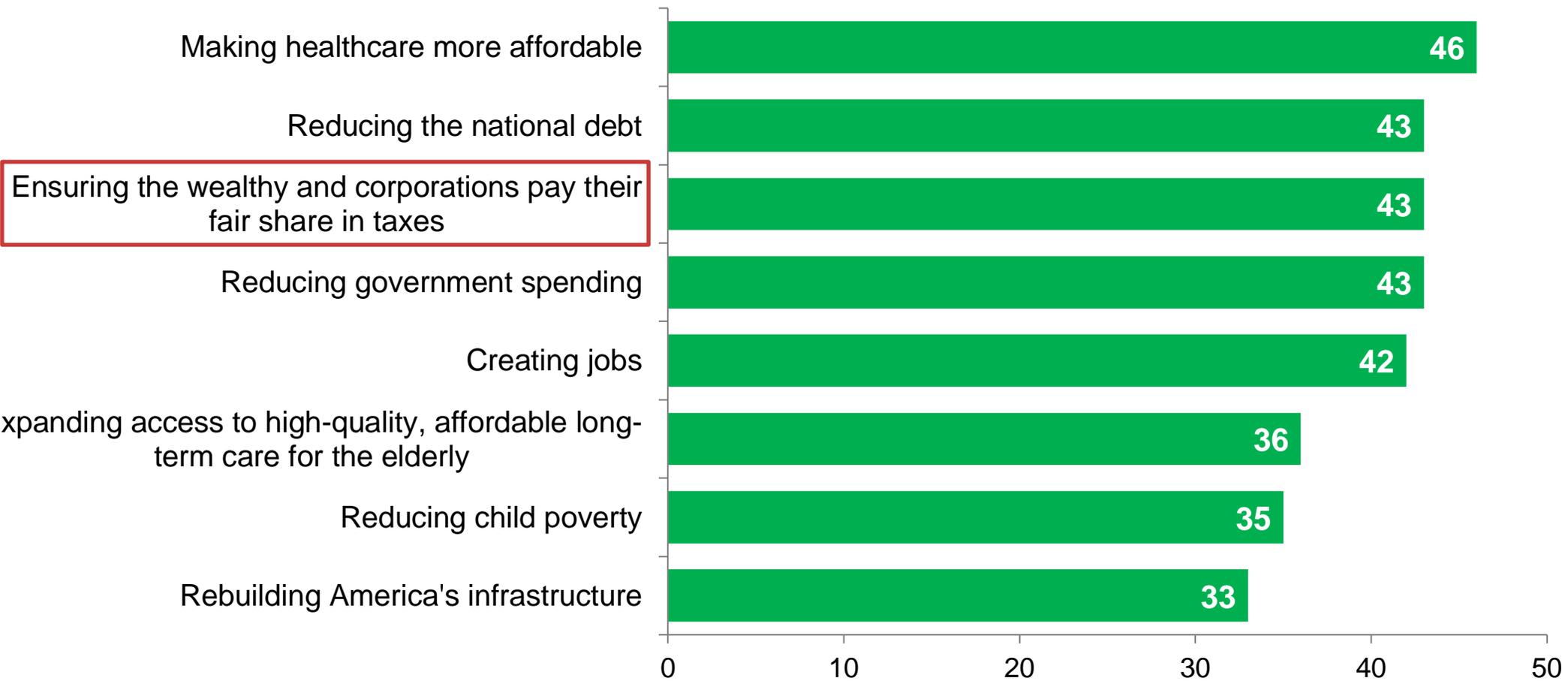
- Support for Biden's tax proposals stems from voters' belief that the wealthy and corporations get special treatment, more than concern about income inequality. Voters respond most strongly when we emphasize closing loopholes for the wealthy and corporations or cracking down on their tax cheating.
- A second tier of effective messages focus on how Biden's tax proposals will help fund important investments, how it will help discourage outsourcing and create jobs at home, and how it will help small businesses.
- Highlight the fact that Biden's plan does not raise taxes on anyone making less than \$400K, a quality that is even more popular than making the wealthy and corporations pay their fair share.
- Opposition criticism of Biden's economic plan that focuses on its impact on the debt and inflation proves very effective, one of a number of signs throughout the poll of rising concern over consumer prices and the debt.
- Focus persuasion efforts on voters who are either undecided on the president's economic plan (16%) or moved by messaging on it (17%) -- these persuadable voters are disproportionately female, non-college educated, and under 50.

“Ensuring the wealthy and corporations pay their fair share in taxes” is a top tier priority for voters of the 20 issues tested, on par with “creating jobs” and well-above “rebuilding America’s infrastructure.” It also ranks well-ahead of elder care and reducing child poverty.

Issue Priorities for the President and Congress: Top Tier

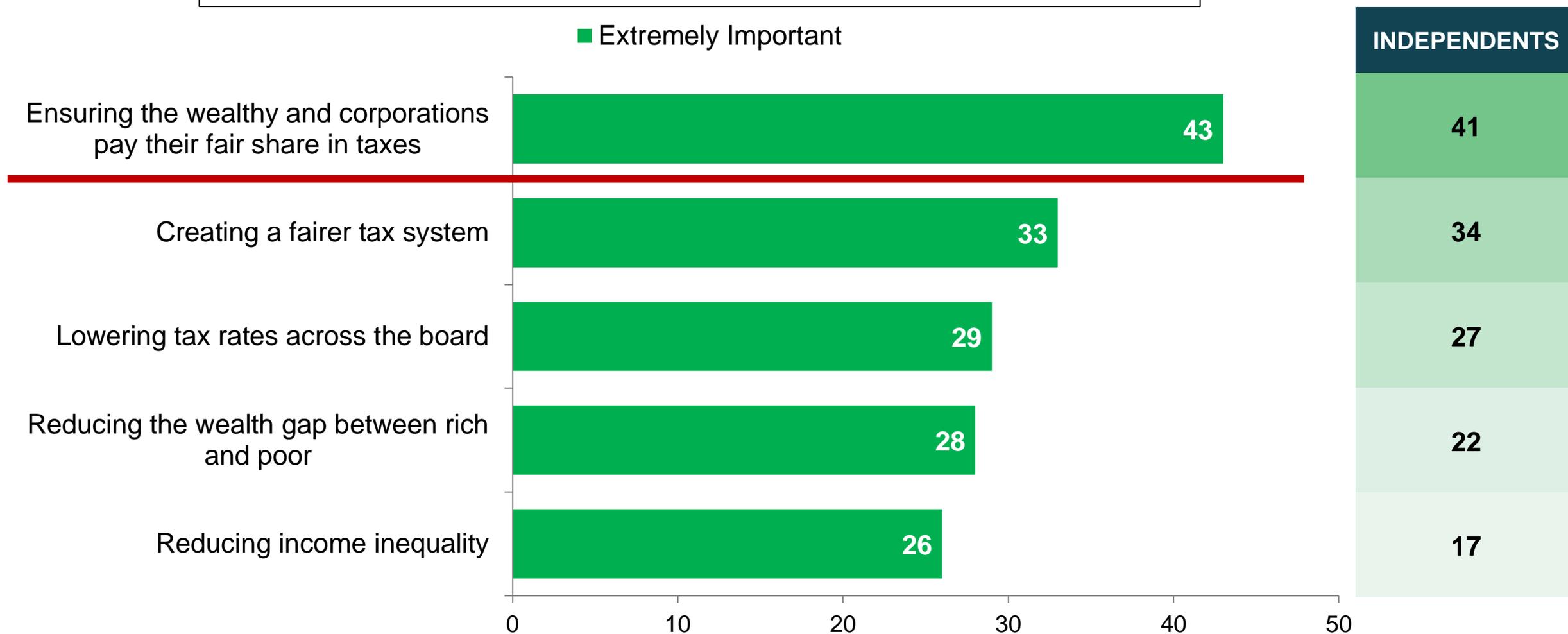
■ Extremely Important Priority

INDEPENDENTS	
Making healthcare more affordable	46
Reducing the national debt	38
Ensuring the wealthy and corporations pay their fair share in taxes	41
Reducing government spending	37
Creating jobs	38
Expanding access to high-quality, affordable long-term care for the elderly	33
Reducing child poverty	32
Rebuilding America's infrastructure	32



“Ensuring the wealthy and corporations pay their fair share in taxes” is seen as much more important than “reducing income inequality,” “lowering tax rates across the board,” or “creating a fairer tax system.”

Issue Priorities for the President and Congress: Taxes and Inequality

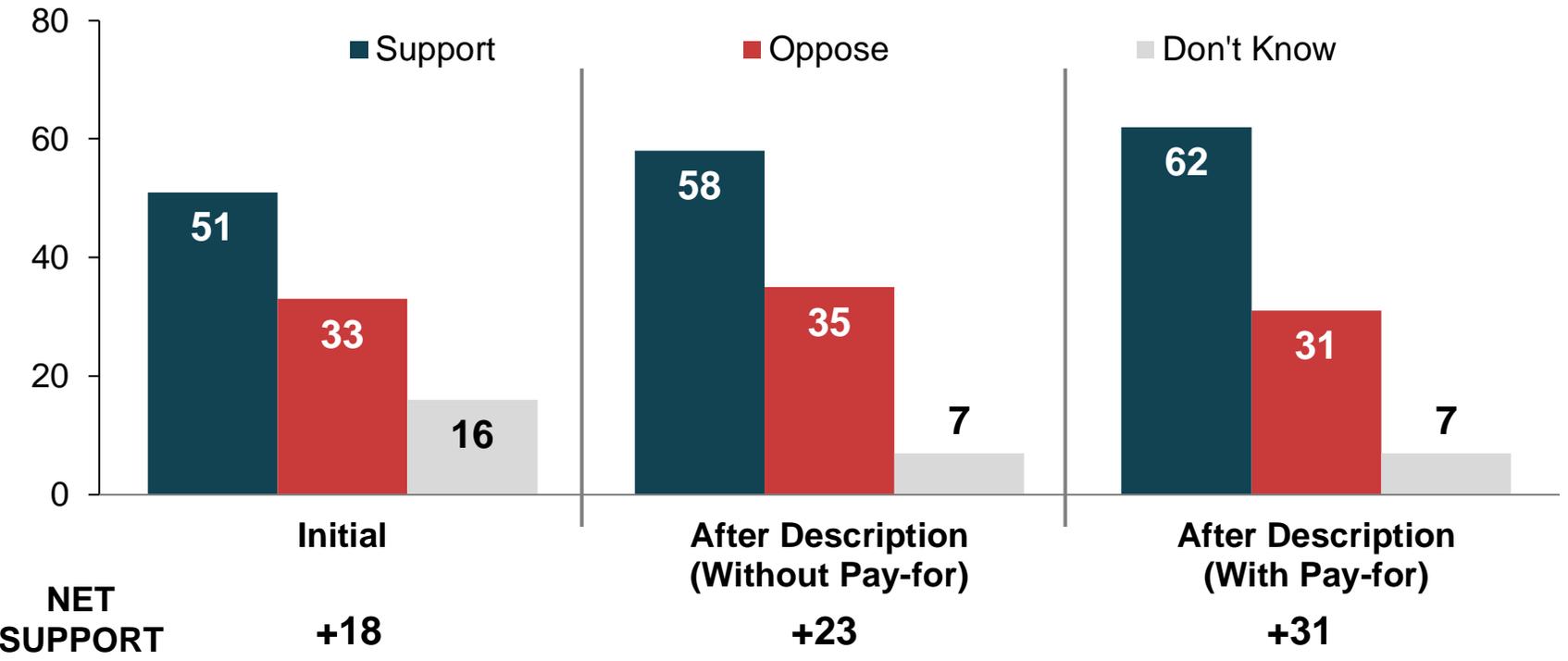


Support for Biden's economic plan rises 4-points higher when a description includes language about plan being funded by higher taxes on the wealthy and corporations than when it does not.

The biggest gains from the description are with GOP women, non-college Indies and women, and Whites <35.

Biden's economic plan would aim to create millions of good paying jobs by rebuilding America's roads, bridges, and other infrastructure, strengthening American manufacturing, ending tax breaks that encourage corporations to offshore jobs, helping small businesses recover, and expanding the use and development of clean energy. It would also make healthcare premiums, childcare, and housing more affordable, would increase investment in public education and long-term care for the elderly, guarantee at least 12 weeks of paid family and medical leave, and support middle-class and low-income families with children. The cost of this plan would be roughly \$4 trillion. [It would be paid for by raising taxes on corporations and those earning over \$400,000 a year. It would not raise taxes on anyone making less than \$400,000 a year.]

Biggest Econ. Plan Support Gains	
Shift in % Support*	
Overall	+9
White Republican Women	+20
Non-college Independents	+18
White Non-college Women	+18
White 18-34	+16



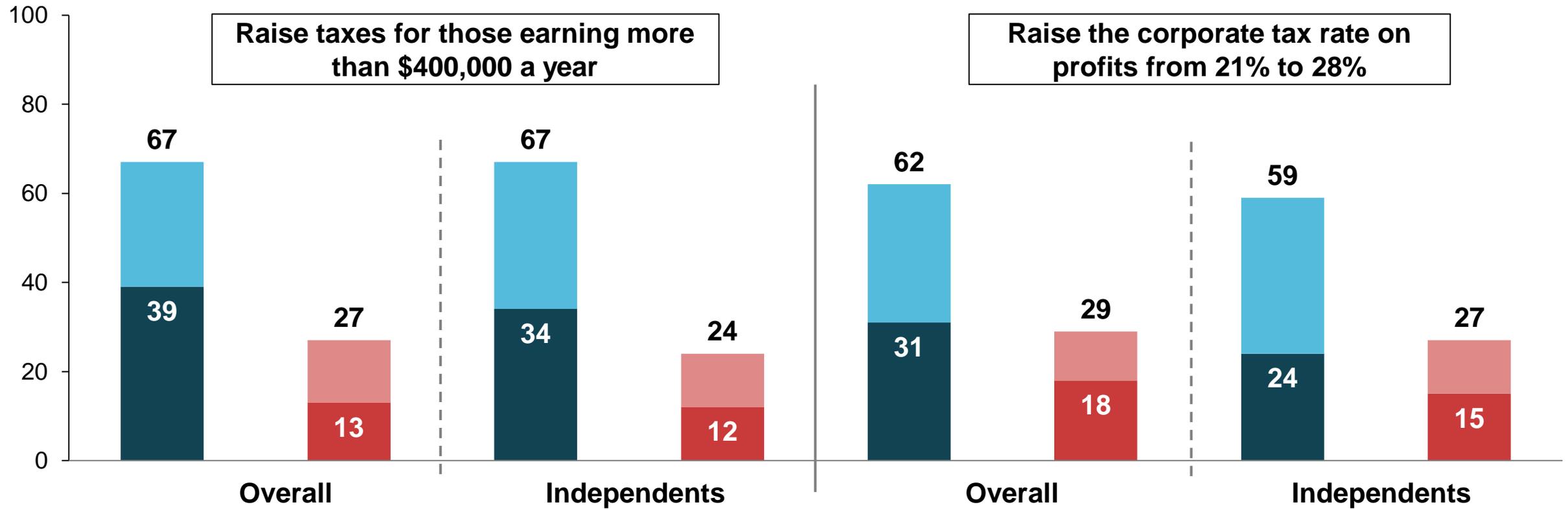
*Average of support with and without pay-for mention

There is broad support for President Biden's proposals to raise taxes on those earning over \$400K a year (67%) and to raise the corporate tax rate to 28% (62%).

Independents support these proposals nearly as strongly as voters overall.

Support for Raising Taxes on those Earning More than \$400,000 and the Corporate Tax Rate

■ Support - Strongly ■ Support - Somewhat ■ Oppose - Strongly ■ Oppose - Somewhat



Overall

Independents

Overall

Independents

+40

+43

+33

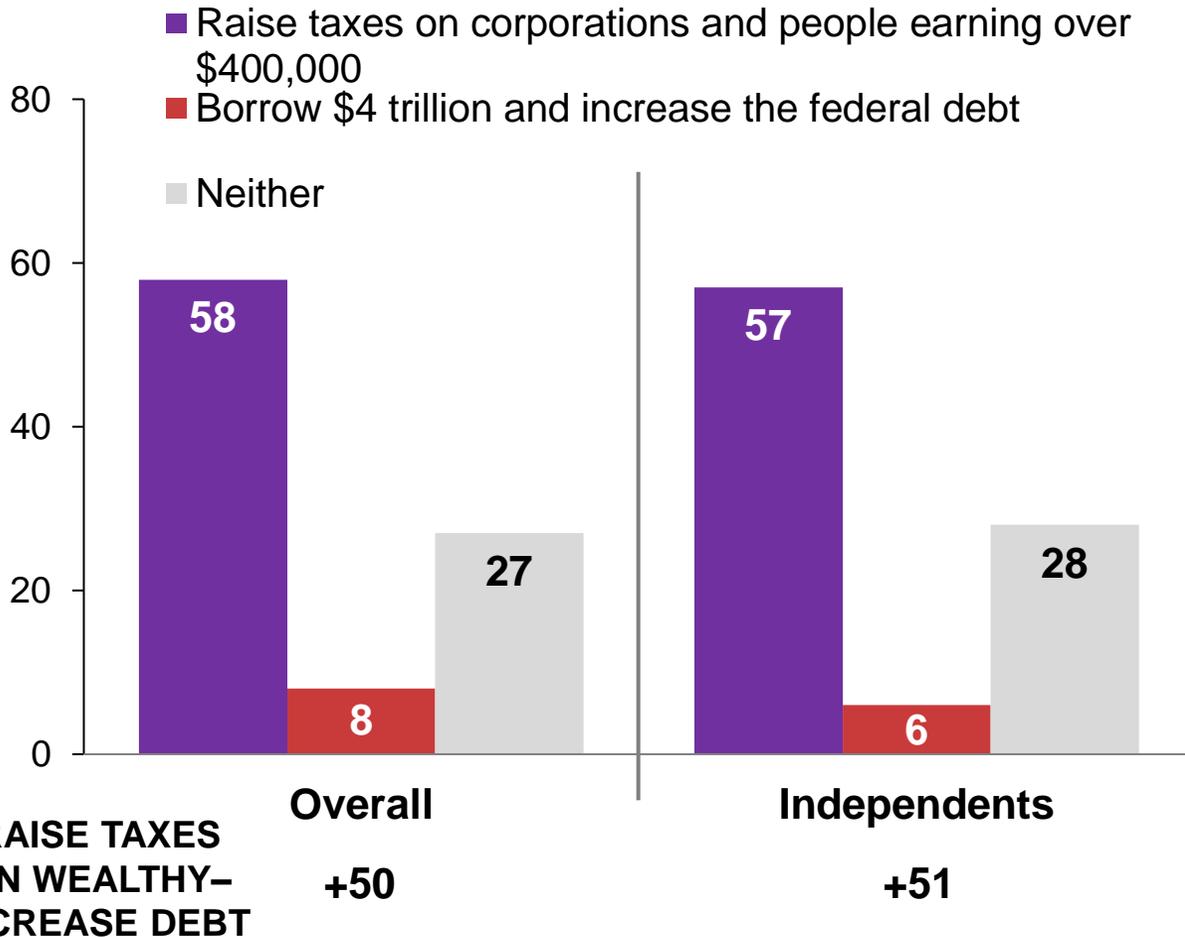
+32

NET SUPPORT

By a ratio of more than 7:1, voters would rather have Biden’s economic plan paid for by raising taxes on the wealthy and corporations than by borrowing \$4 trillion and adding to the debt.

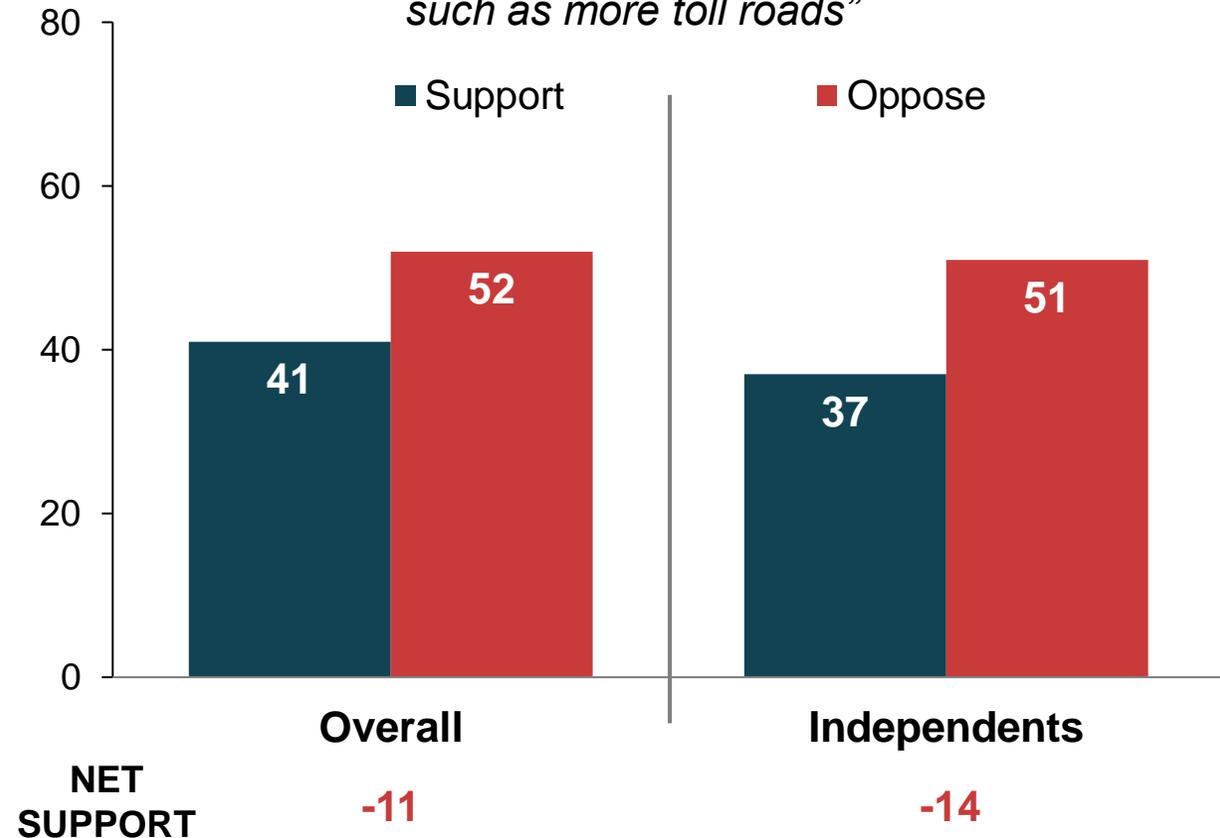
A majority of voters also oppose expanding user fees as a revenue raiser.

Which of these do you think is the better way to pay for President Biden's economic plan?



Support for Expanding User Fees for Highways and Bridges

“Expand user fees for highways and bridges, such as more toll roads”



Voters believe that raising taxes on those earning \$400K or more will *help* the economy by a 29-point margin.

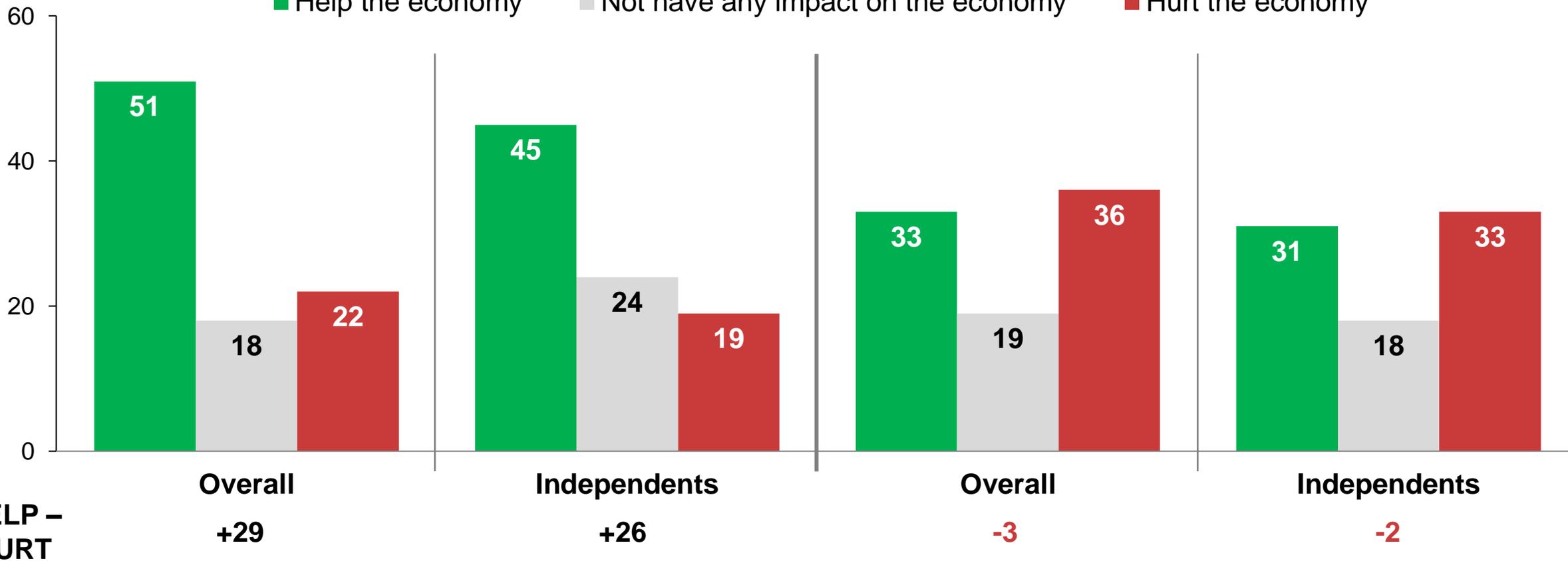
They are mixed on the impact of raising taxes on corporations, but just over a third believes it will hurt the economy.

Do you think raising taxes on _____ right now would:

“Those earning over \$400,000 a year”

“Corporations”

■ Help the economy ■ Not have any impact on the economy ■ Hurt the economy

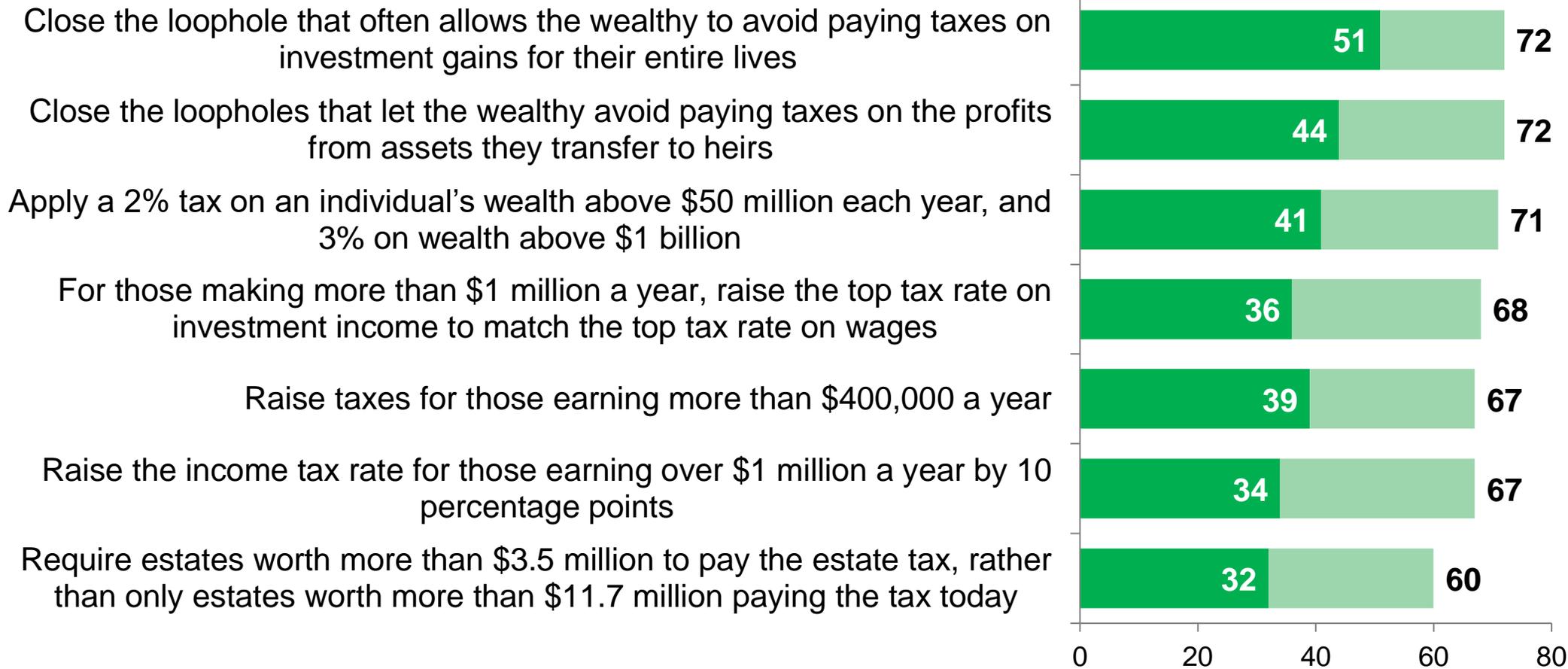


HELP –
HURT

Proposals to raise taxes on the wealthy generate strong support across the board. A wealth tax and raising income and investment taxes on the wealthy are supported by more than two-thirds of voters.

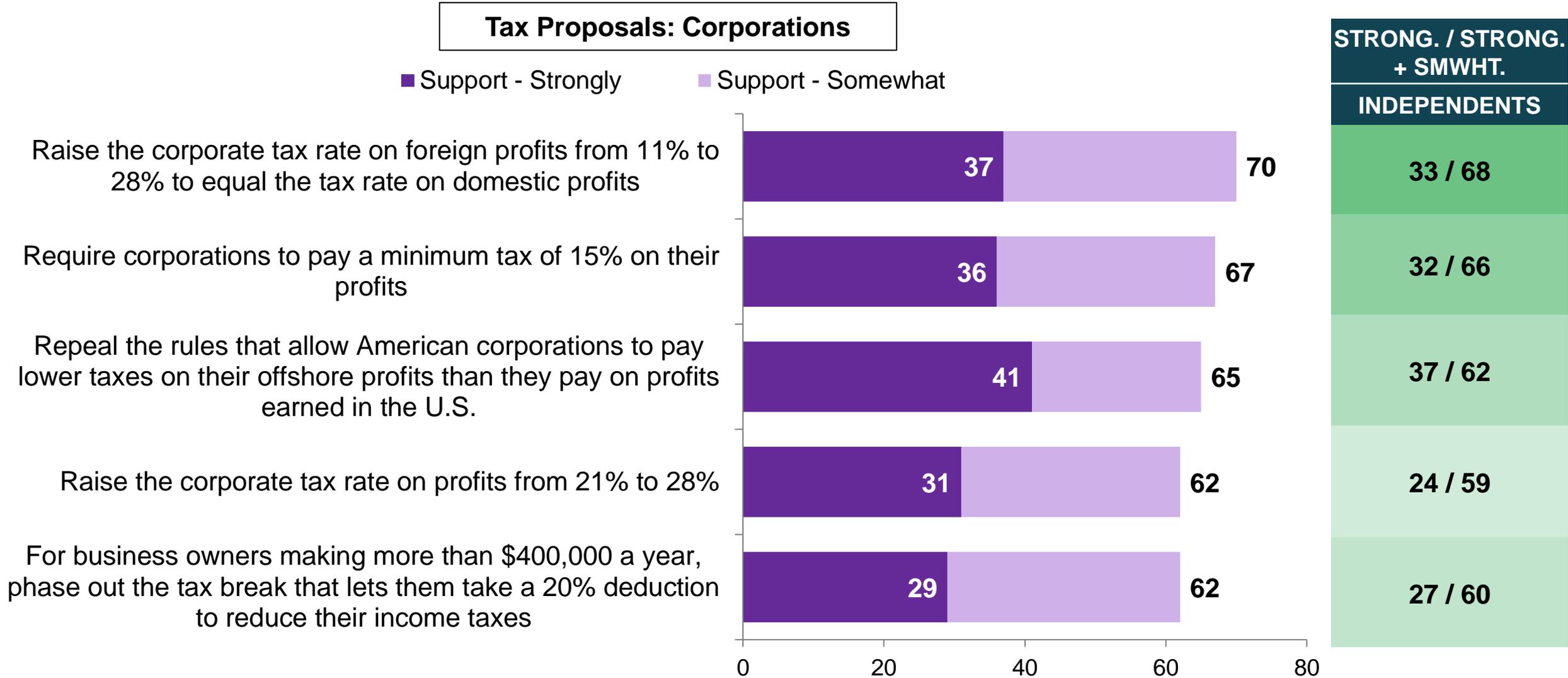
Tax Proposals: The Wealthy

■ Support - Strongly ■ Support - Somewhat



STRONG. / STRONG. + SMWHT. INDEPENDENTS
50 / 70
42 / 71
40 / 65
35 / 66
34 / 67
29 / 60
29 / 53

Each corporate tax proposal tested is supported by over 60% of voters.

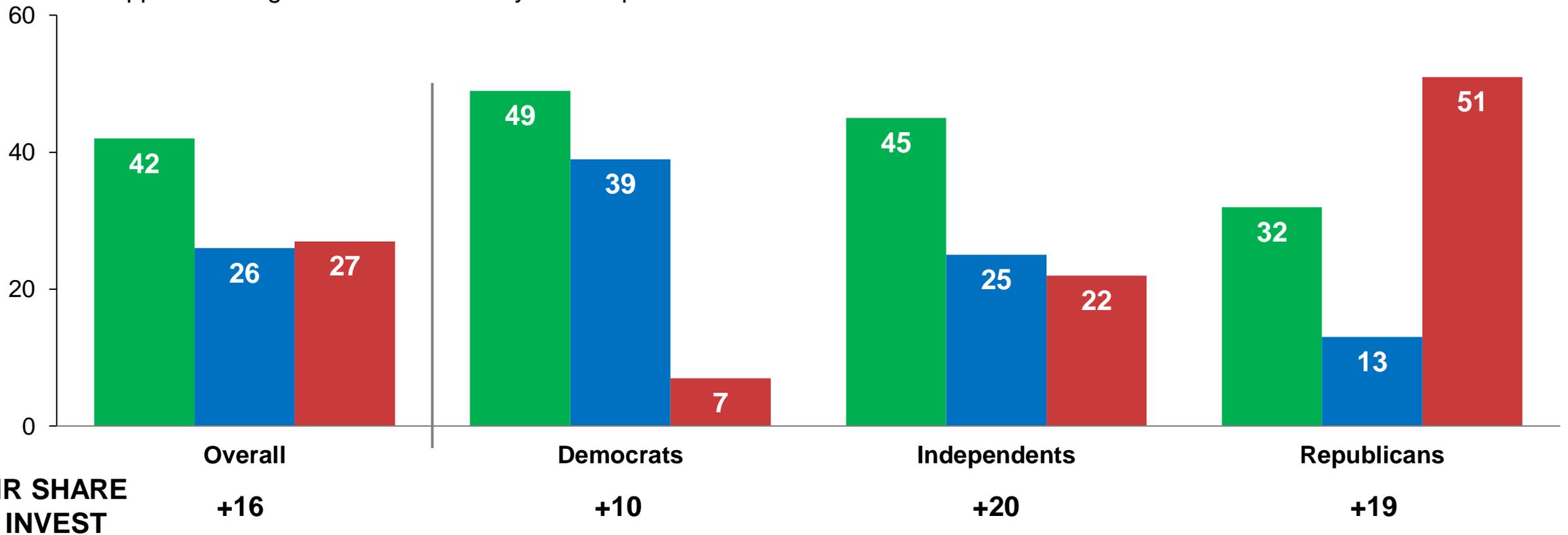


By a 16-point margin, voters believe making “the wealthy and corporations pay their fair share of taxes” is a better reason to raise taxes on the wealthy and corporations than “funding investments in key priorities.”

The emphasis on fairness over investments is even more pronounced with Independents.

Which of the following do you think is a better reason to raise taxes on the wealthy and corporations?

- To create a fairer tax system in which the wealthy and corporations pay their fair share of taxes
- To fund investments in key priorities like creating jobs, strengthening public education, and making healthcare more affordable
- Oppose raising taxes on the wealthy and corporations



**FAIR SHARE
- INVEST**

Recommended Messaging to Strengthen Support for Biden's Tax and Economic Plans

Suggested Core Message

- 55 of America's biggest corporations paid no federal income taxes last year and the wealth of 650 billionaires rose by 50%, all while millions of working Americans suffered.
- This plan will help build an economy that rewards work, not just wealth, by ensuring that the wealthy and big corporations pay their fair share of taxes.
- The plan will not raise taxes on anyone making under \$400,000 a year.

Supplemental Message Options

- The plan will allow us to invest in creating jobs by rebuilding our infrastructure and helping small businesses, and in making healthcare, childcare, and college more affordable.
- The plan will close tax loopholes for the wealthy and corporations that encourage corporations to outsource jobs and shift profits to offshore tax havens.

While the top message is focused on fairness, two messages that include the value of investments also test very well.

We should drop the total cost of the plan when using this messaging.

Positive Messaging on Biden Economic and Tax Plans: Tier Two – Investments Score	Overall	Persuadable on Plan	Ind.	Voters of Color
<p>This plan will create an economy that works for all of us by requiring corporations and the wealthy to pay their fair share of taxes so we can <u>invest \$4 trillion in infrastructure, clean energy, public education, and make healthcare, childcare, college and housing more affordable for working families.</u></p>	9.9	9.9	9.7	10.7
<p>This plan will make the wealthy and corporations pay their fair share by eliminating the 2017 tax cuts for those earning over \$400,000 a year and by closing corporate tax loopholes so we can <u>invest in creating jobs, strengthening public education, and making healthcare more affordable.</u></p>	9.6	9.8	9.8	10.0

The second tier also includes messages focused on jobs: how the plan’s tax proposals will discourage outsourcing and help create jobs at home, and how they will help small businesses.

Positive Messaging on Biden Economic and Tax Plans: Tier Two – Jobs Score	Overall	Persuadable on Plan	Ind.	Voters of Color
<p>This plan will eliminate tax breaks that encourage corporations to <u>outsource jobs and shift profits to offshore tax havens</u>, and will invest in strengthening American manufacturing, helping to <u>keep and create more American jobs</u> here at home.</p>	9.7	9.3	9.5	9.0
<p>This plan will help <u>small businesses recover and compete with big corporations</u>. It will close loopholes that allow big corporations to avoid paying their fair share of taxes and provide more support to small businesses to get them back on their feet and <u>hire more workers</u>.</p>	9.4	9.1	9.1	8.8

Messaging on inequality is less effective by comparison.

A message on racial equity was the least effective tested.

Positive Messaging on Biden Economic and Tax Plans: Less Effective Messages Score	Overall	Persuadable on Plan	Ind.	Voters of Color
Wealthy investors pay barely half the tax rate on their profits that ordinary Americans pay on what they earn through work. This plan will end this tax break for millionaires and <u>tax all income equally</u> , whether earned through wealth or through work.	8.4	8.4	8.7	8.0
The wealthiest 1% of Americans own nearly 40% of the country's wealth. This plan will <u>reduce wealth inequality</u> by raising taxes on those earning over \$400,000 a year while keeping tax rates for everyone making less than that the same.	8.4	8.3	8.4	8.4
We need to <u>repeal those parts of the 2017 tax law that benefited corporations and the richest 1%</u> . The law was a huge windfall for corporations and those at the top that added \$2 trillion to the deficit, threatening funding for Social Security, Medicare, and Medicaid.	8.3	8.3	8.6	8.6
To create an economy that works for all of us, we must <u>reduce racial inequality</u> . This plan will <u>help close the racial wealth gap</u> by making the wealthy and corporations pay their fair share so we can increase investments in small businesses, affordable housing, and education in communities of color.	6.6	6.9	6.2	7.8