

# Support for Biden's Tax and Economic Plans in Rural Districts

Findings from an Online Nationwide 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.



As part of a nationwide sample of N=1104 voters, n=443 voters living in congressional districts defined as either purely rural or a mix of rural and suburban (based on CityLab's Congressional Density Index) were surveyed.



Interviews were conducted May 20-25, 2021.



The 95% confidence interval for the subsample of rural voters is +/- 4.66 percentage points.

# Key Findings (1 of 2)

- Ensuring that the wealthy and corporations pay their fair share in taxes is a top priority for rural voters, matching “creating jobs” in importance.
- President Biden’s core revenue proposals are very popular with rural voters: 63% support raising taxes on the wealthy and corporations in general, 59% support raising them on those earning more than \$400K a year, and 55% support raising the corporate tax rate to 28%.
- Every proposal tested that raises taxes on the wealthy and corporations is supported by at least 55% of rural voters, with most generating over two-thirds support.
  - 73% support closing the loophole that allows the wealthy to avoid paying taxes on investment gains (“step up basis”).
  - 64% support raising the corporate tax rate on foreign profits from 11% to 28% to equal the tax rate on domestic profits
- By a 5-to-1 ratio, rural 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 8 points when voters learn about key investments but grows even more – by 13 points – if they are also told the plan is funded by higher taxes on the wealthy and corporations.

# 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 it will help discourage outsourcing and create jobs at home, help small businesses, and help fund important investments.
- 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.

# Recommended Messaging for Rural Voters 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

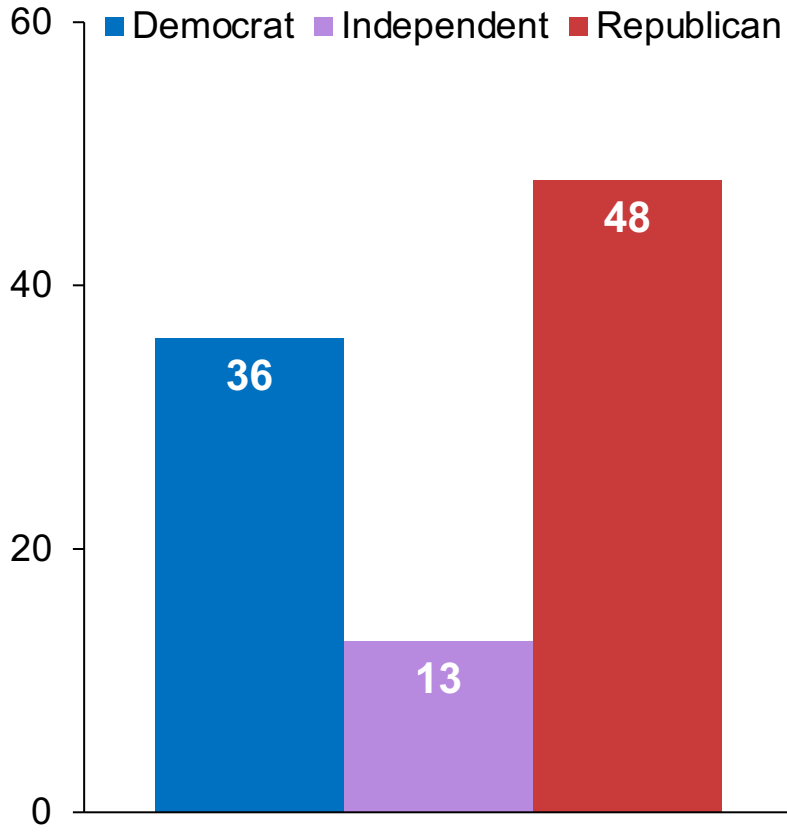
- The plan will close tax loopholes for the wealthy and corporations that encourage corporations to outsource jobs and shift profits to offshore tax havens.
- The plan will allow us to invest in creating jobs by rebuilding our infrastructure and helping small businesses, and in making healthcare, childcare,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

# ISSUE ENVIRONMENT

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These rural districts favor Republicans and Trump by double digits and voted for Trump over President Biden by 15 points.

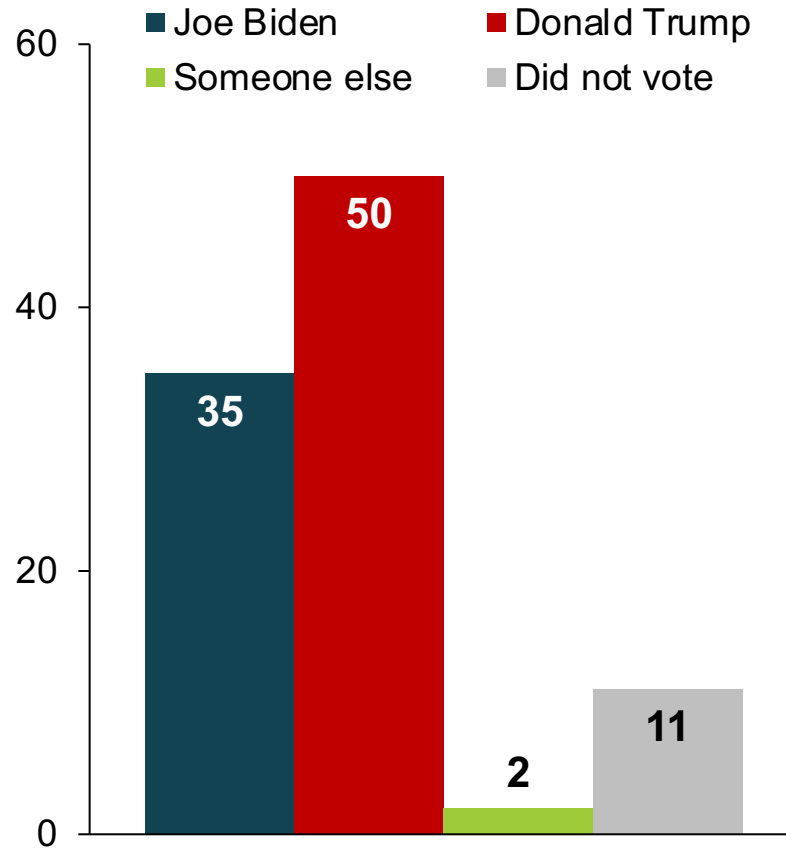
Party Self-ID



NET

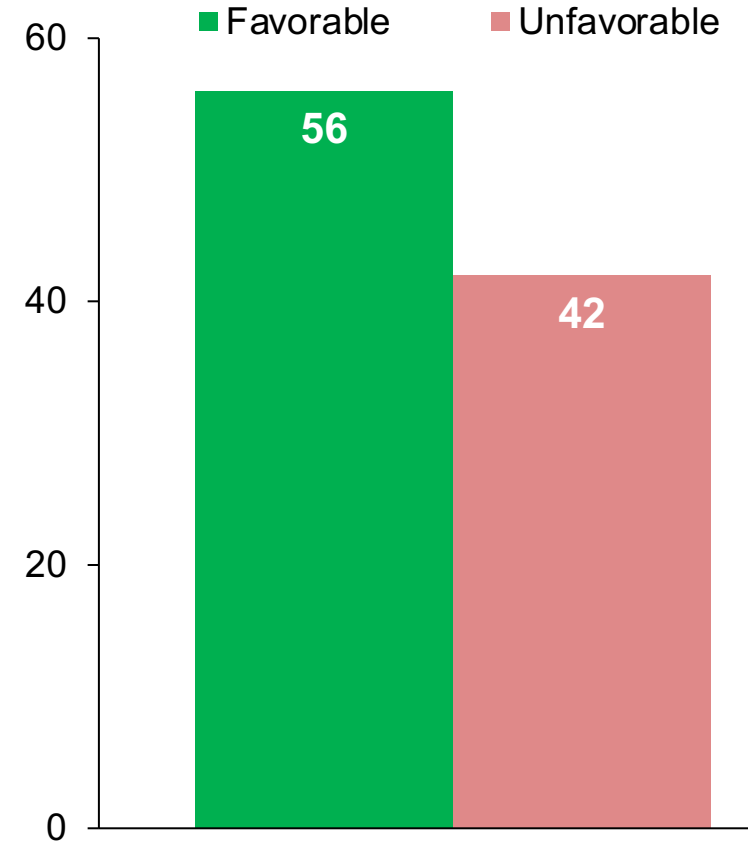
-12

2020 Recall Vote



-15

Donald Trump Popularity

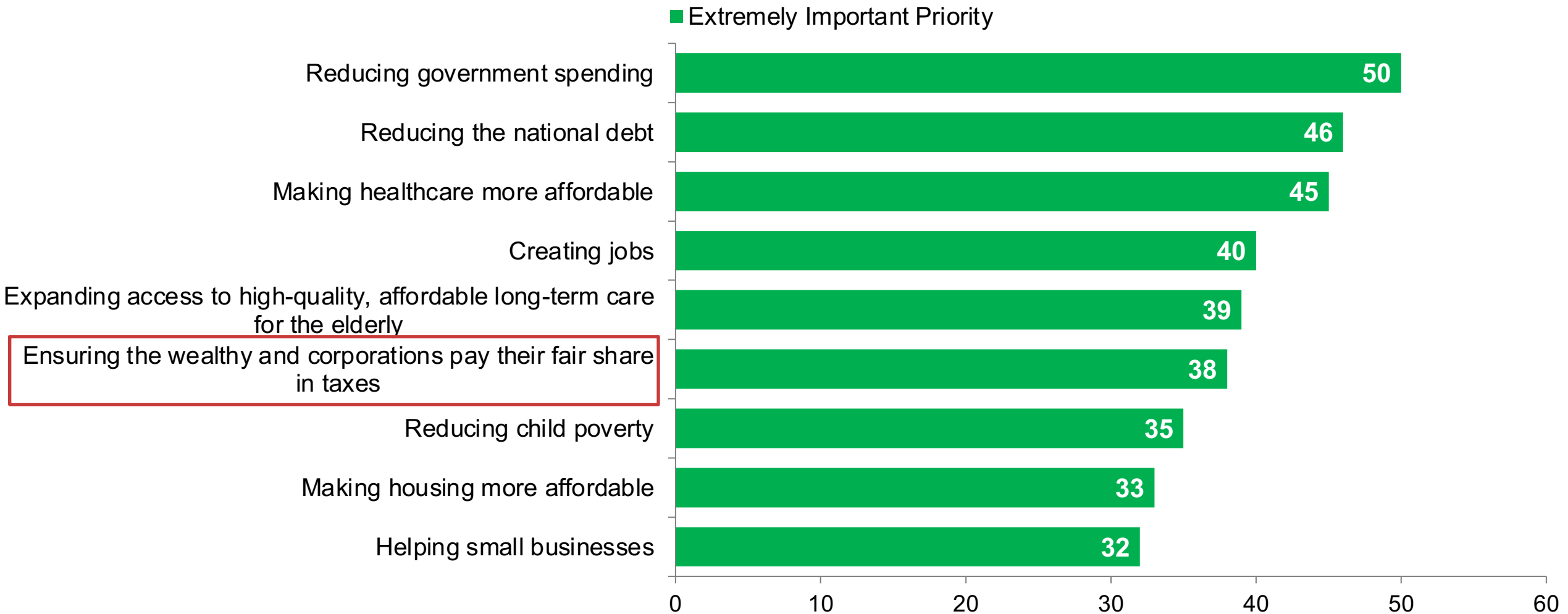


+14

“Ensuring the wealthy and corporations pay their fair share in taxes” is a top tier priority for rural voters of the 20 issues tested, on par with “creating jobs.”

It ranks ahead of reducing child poverty, affordable housing, and helping small businesses.

**Issue Priorities for the President and Congress: Top Tier**

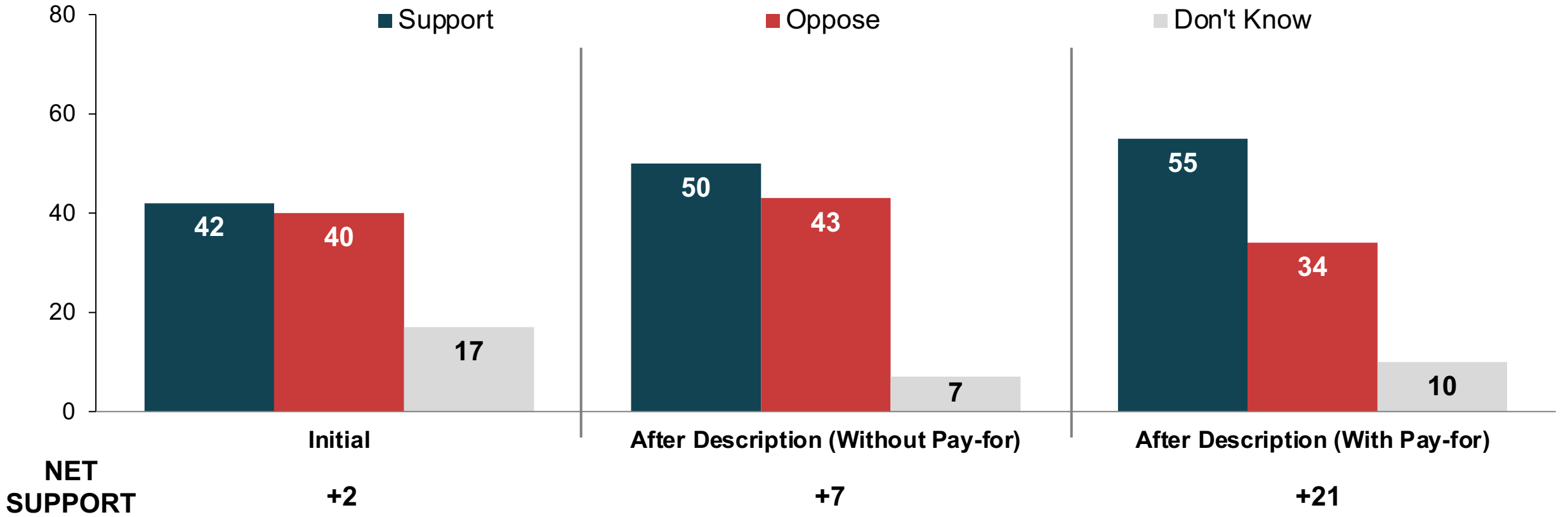




# BIDEN'S ECONOMIC PLAN

Support for President Biden’s economic plan rises 5-points higher when a description includes language about the plan being funded by higher taxes on the wealthy and corporations than when it does not.

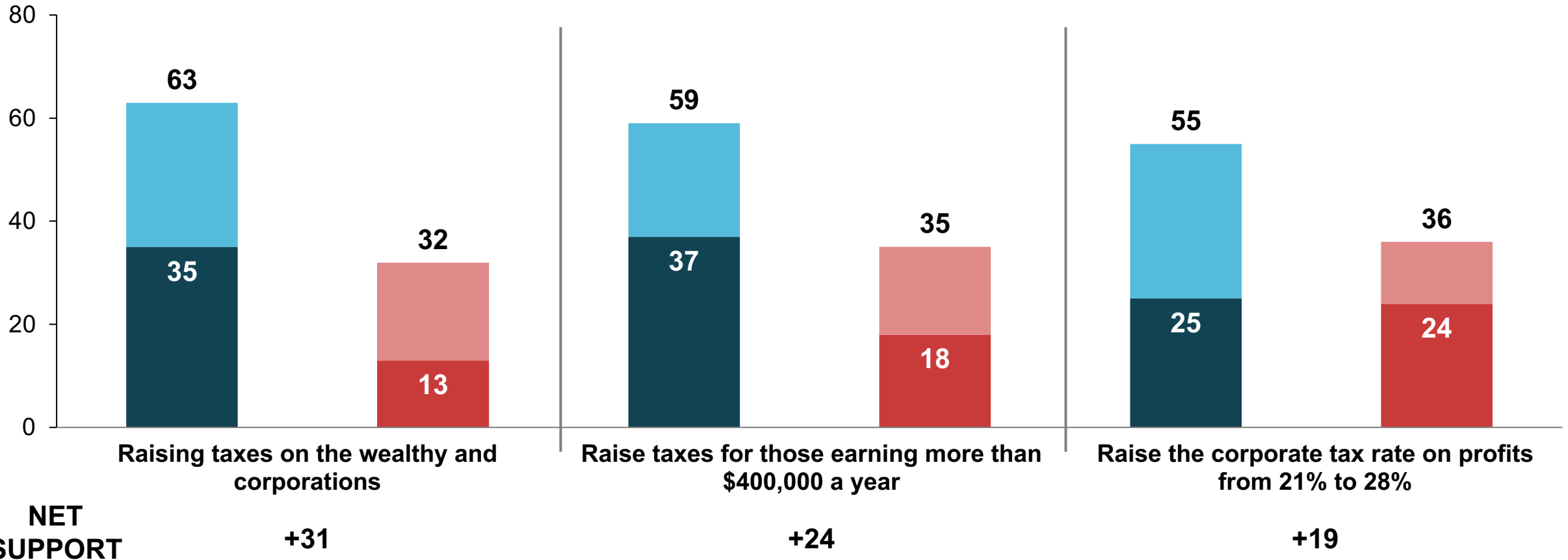
*Biden’s economic plan would aim to create millions of good paying jobs by rebuilding America’s roads, bridges, and other infrastructure, strengthening American manufacturing, ending tax breaks that encourage corporations to offshore jobs, helping small businesses recover, and expanding the use and development 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.]*



Strong majorities of these voters support President Biden's proposals to raise taxes on the wealthy and corporations in general (63%), on those earning more than \$400K a year (59%), and to raise the corporate tax rate to 28% (55%).

### Support for Key Tax Proposals in Biden Economic Plan

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

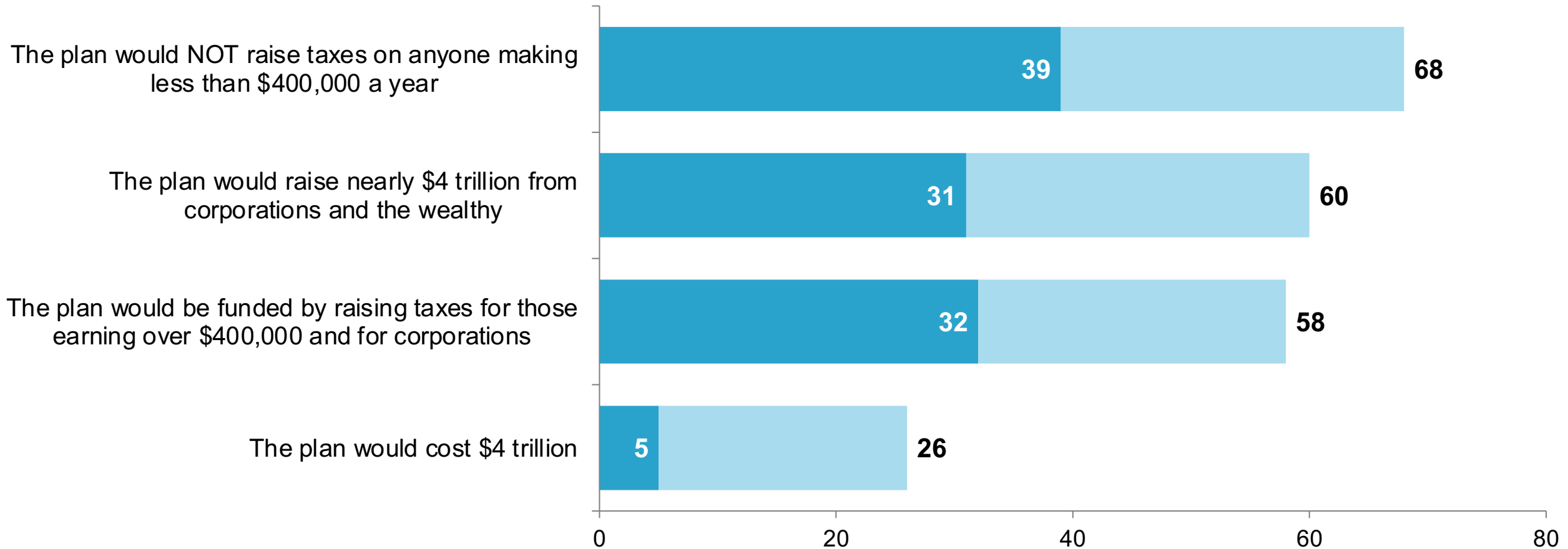


That Biden's plan would NOT raise taxes on those making less than \$400K is important to highlight. It makes over two-thirds of rural voters more favorable to his plan.

How the plan will be paid for is a net positive even when the total cost is included, which is a drag on its own.

*Please indicate if this [element of President Biden's economic plan] makes you feel much more favorable, somewhat more favorable, somewhat less favorable, or much less favorable about the plan.*

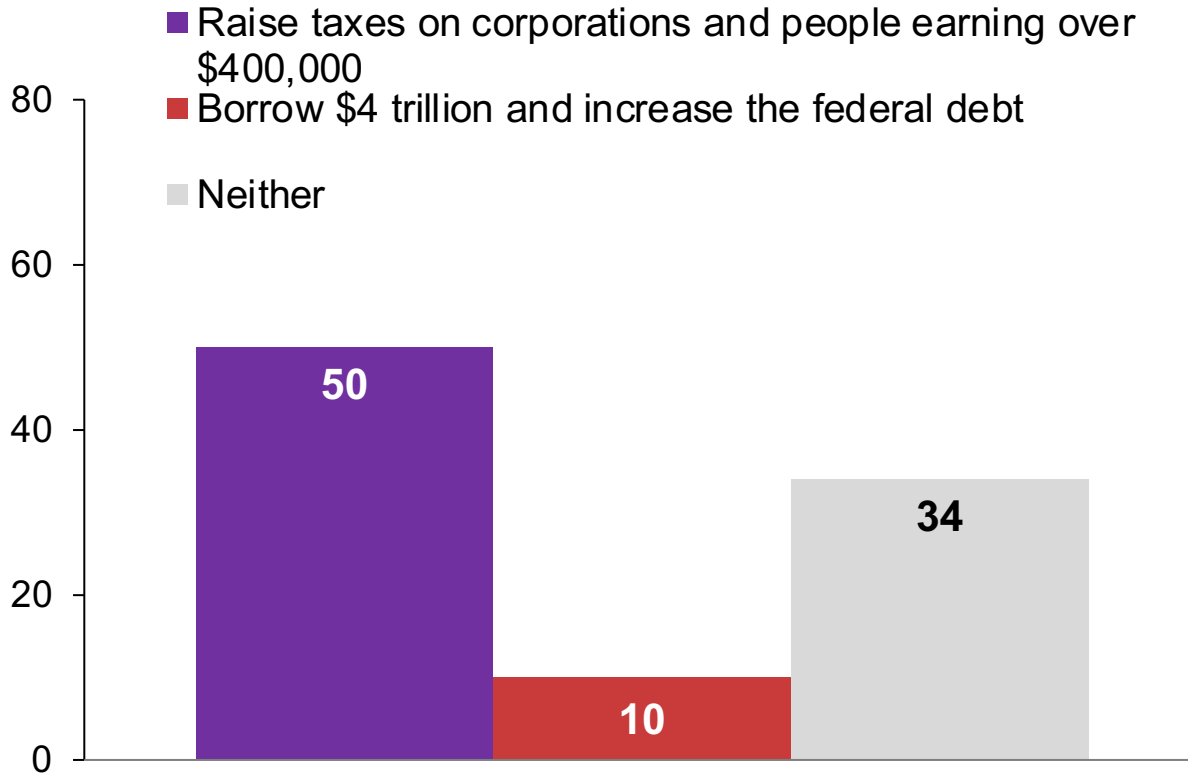
■ Much more favorable    ■ Somewhat more favorable



By a 5:1 ratio, rural 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.

Rural voters also oppose expanding user fees as a revenue raiser by a nearly 2:1 ratio.

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

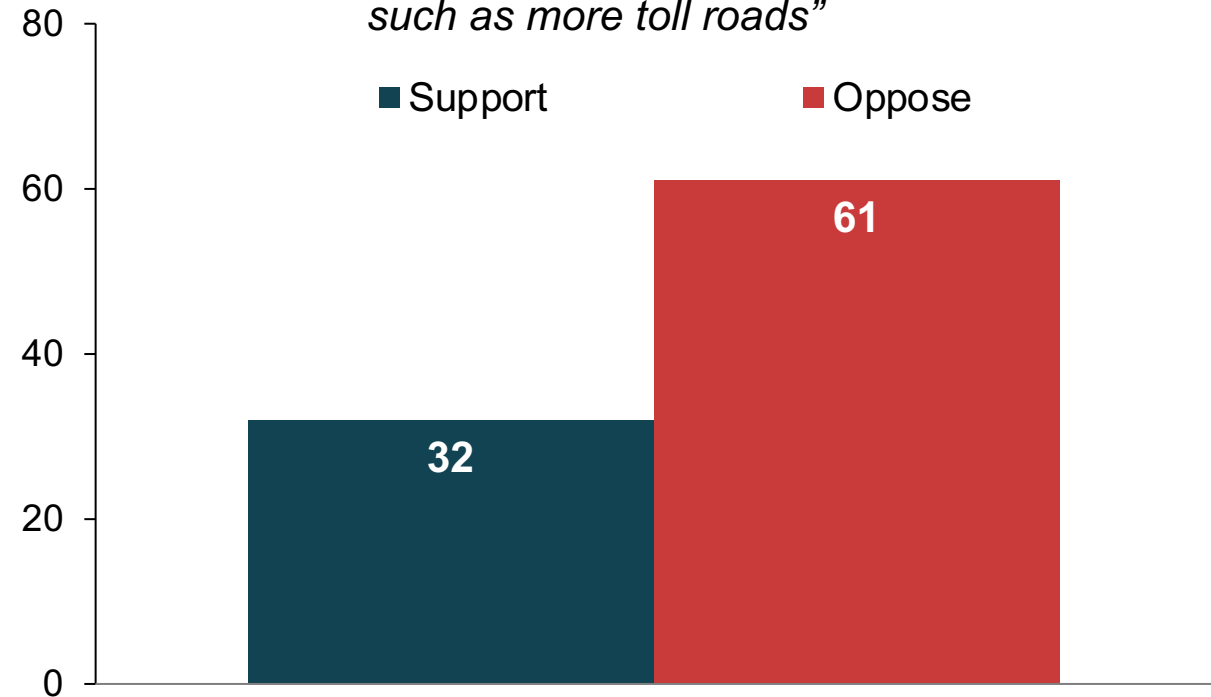


**RAISE TAXES  
ON WEALTHY—  
INCREASE DEBT**

**+40**

**Support for Expanding User Fees for  
Highways and Bridges**

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



**NET  
SUPPORT**

**-29**

# TAX PROPOSALS

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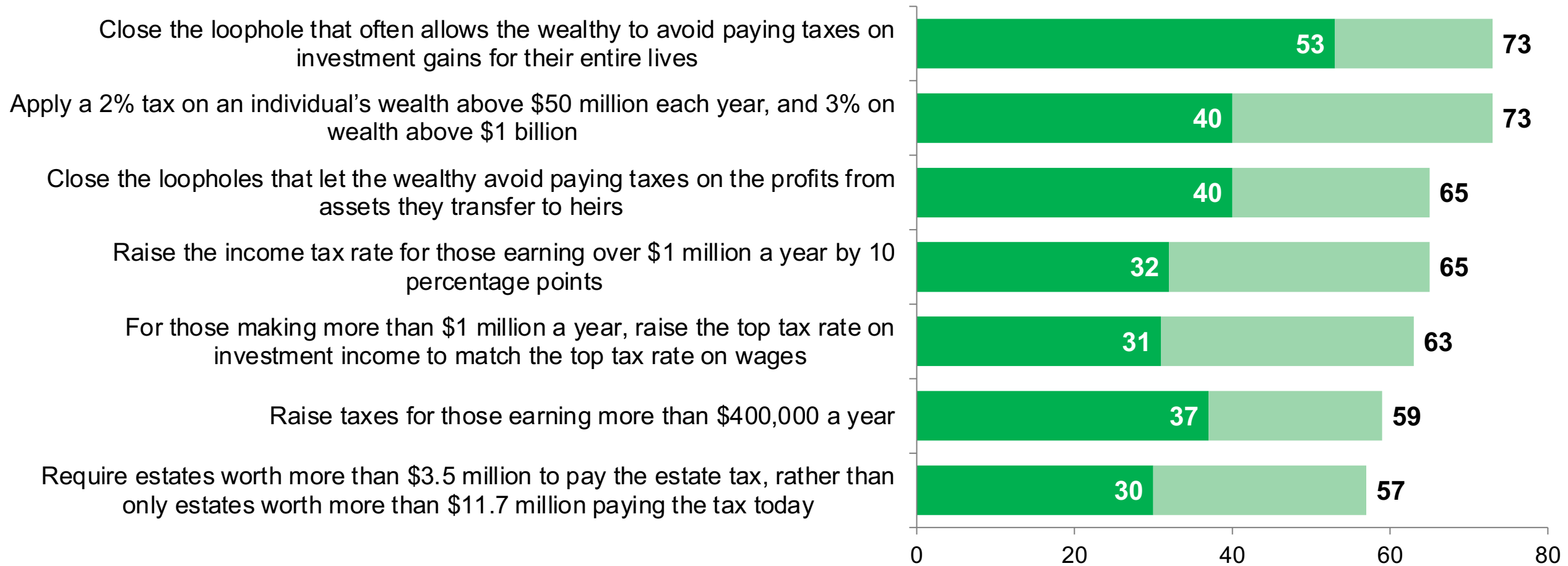
# Proposals to raise taxes on the wealthy generate strong support across the board with rural voters.

A wealth tax and raising income and investment taxes on the wealthy are supported by more than 60%.

## Tax Proposals: The Wealthy

■ Support - Strongly

■ Support - Somewhat

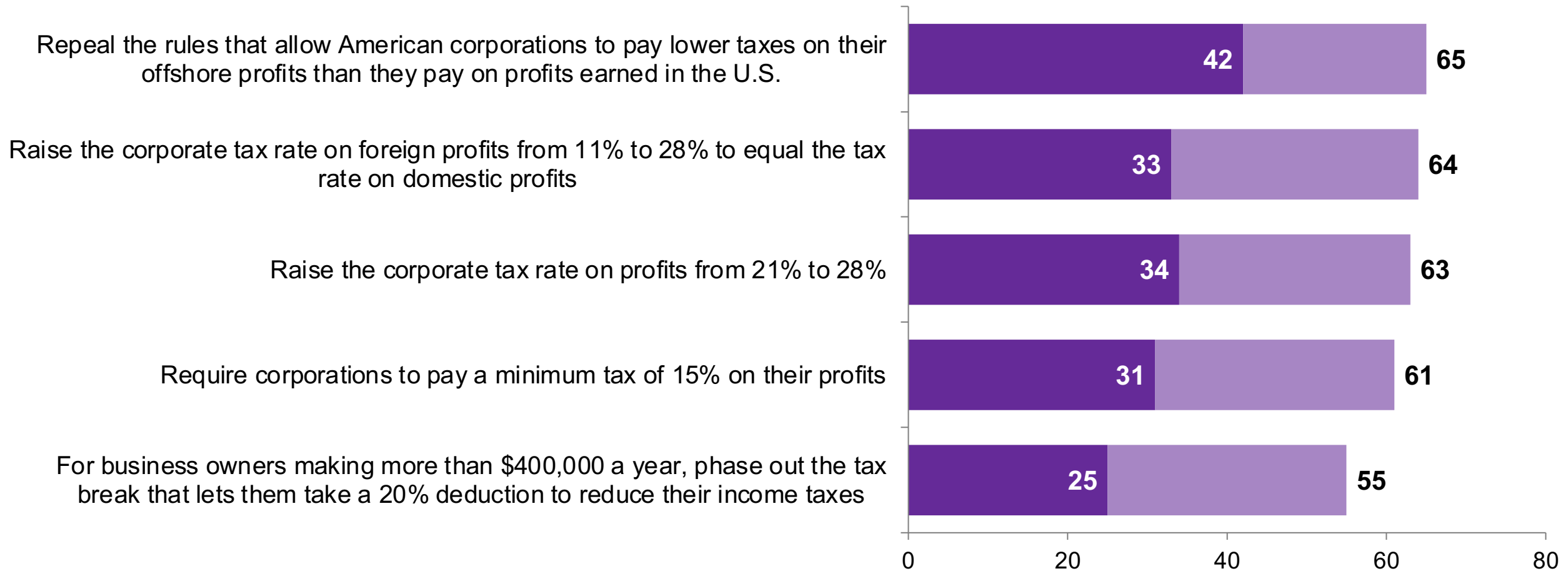


# Each corporate tax proposal tested is supported by over 55% or more of rural voters.

## Tax Proposals: Corporations

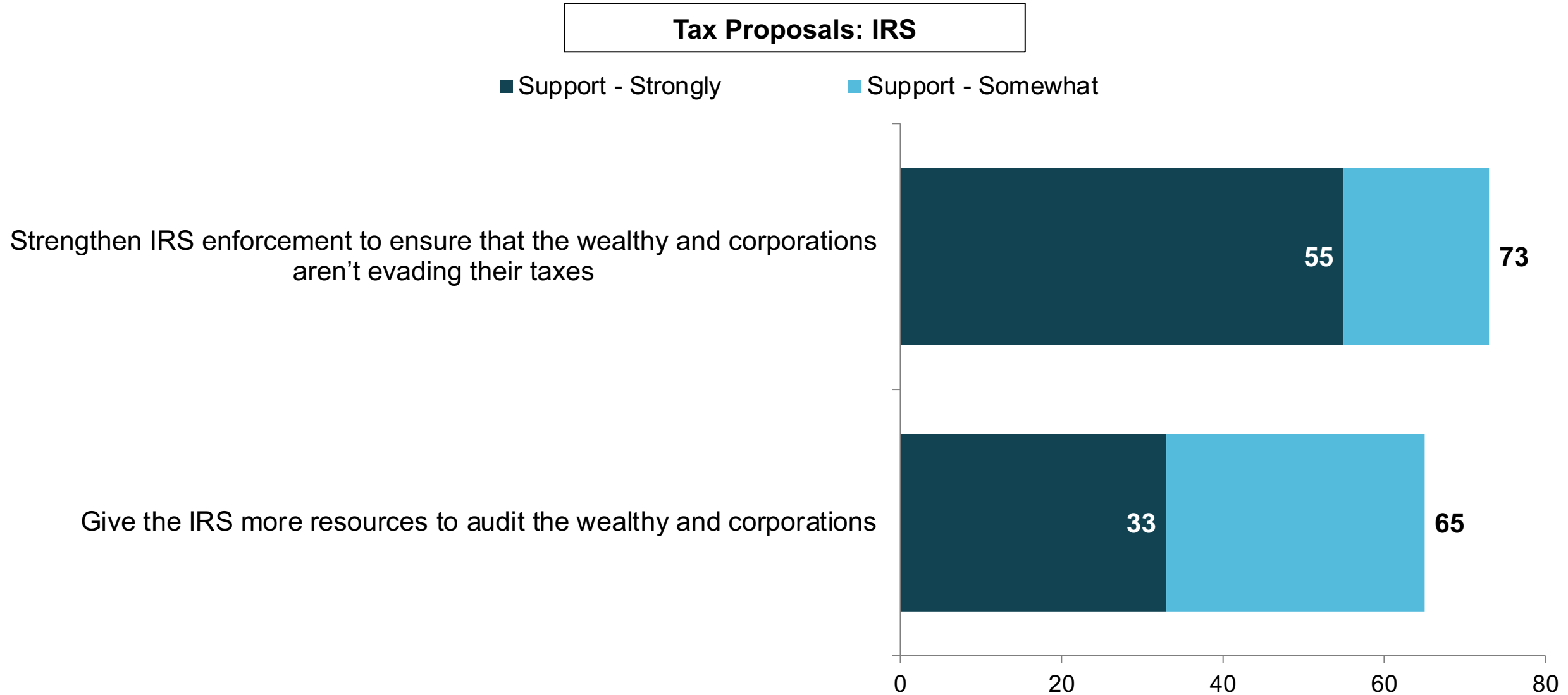
■ Support - Strongly

■ Support - Somewhat





There is also strong support for strengthening the IRS and giving it more resources to ensure that the wealthy and corporations pay their fair share.



# POSITIVE MESSAGING ON BIDEN'S PLAN

The 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*.

**Positive Messaging on Biden Economic and Tax Plans: Top Message**  
*Score\**

**Rural  
Districts**

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.

**11.8**

The second tier 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**

**Rural  
Districts**

This plan will eliminate tax breaks that encourage corporations to outsource jobs and shift profits to offshore tax havens, and will invest in strengthening American manufacturing, helping to keep and create more American jobs here at home.

**10.0**

This plan will help small businesses recover and compete with big corporations. 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 hire more workers.

**9.7**

# Two messages focused on investments also fall in the 2<sup>nd</sup> tier.

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

Rural  
Districts

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 invest \$4 trillion in infrastructure, clean energy, public education, and make healthcare, childcare, college and housing more affordable for working families.

9.7

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 invest in creating jobs, strengthening public education, and making healthcare more affordable.

9.4

# 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	Rural Districts
<p>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.</p>	8.7
<p>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.</p>	8.3
<p>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.</p>	8.1
<p>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.</p>	6.1

# OPPOSITION MESSAGING

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The strongest negative against Biden's economic plan focuses on its impact on the debt and inflation. This is a strong hit that raises intense concerns with over half of rural voters. An attack on the total amount of government spending proposed by Biden is also effective.

**Negative Messaging on Biden Economic Plan: Most Effective Hits**  
*% Raises Very Serious Concerns about Plan*

**Rural  
Districts**

This plan's massive amount of government spending will lead to increased debt and inflation, driving down the value of workers' paychecks while driving up the cost of food, housing, and gas.

**53**

After spending \$6 trillion in pandemic relief, Americans just can't afford another \$4 trillion in big government spending, which will kill the economic recovery, cost jobs, and blow up the federal deficit.

**44**



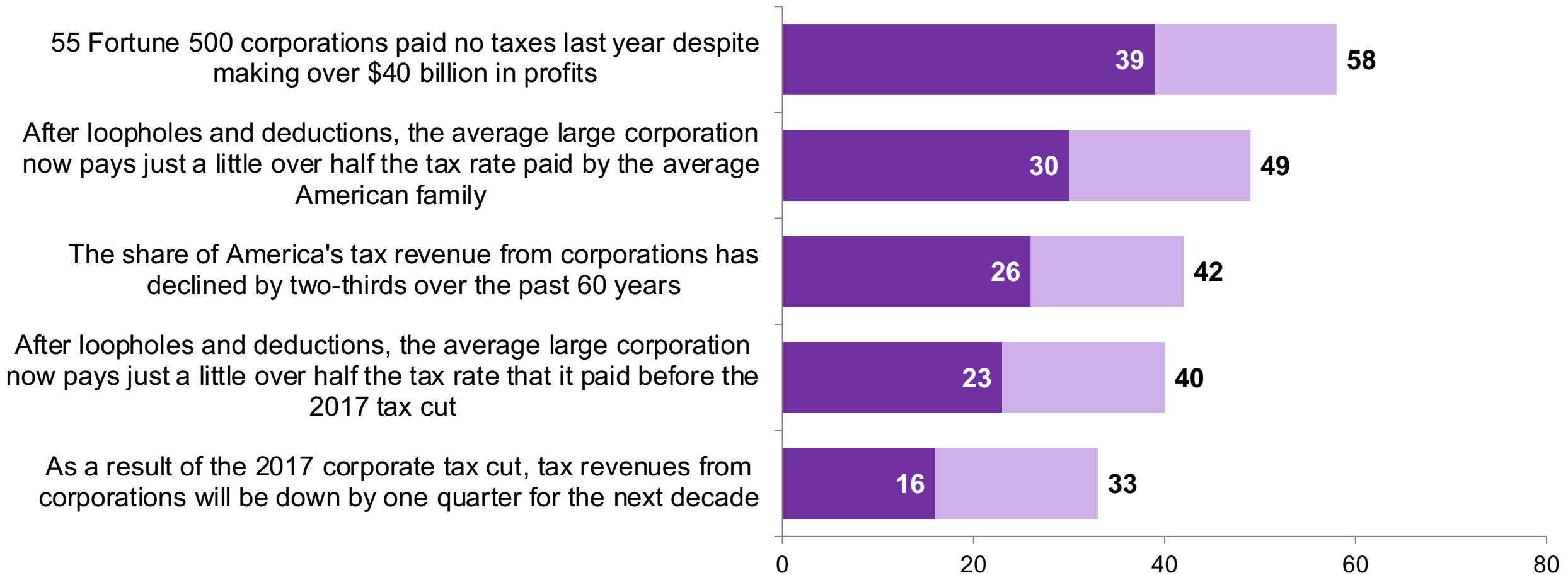
# MESSAGING ON RAISING TAXES ON CORPORATIONS AND WEALTHY

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Highlighting that “55 Fortune 500 corporations paid no taxes last year despite making over \$40 billion in profits” is clearly the strongest message to use to make the case for raising taxes on corporations.

### Reasons to Raise Taxes on Corporations

■ 10 - Extremely strong reason to raise taxes on the wealthy and corporations      ■ 8-9

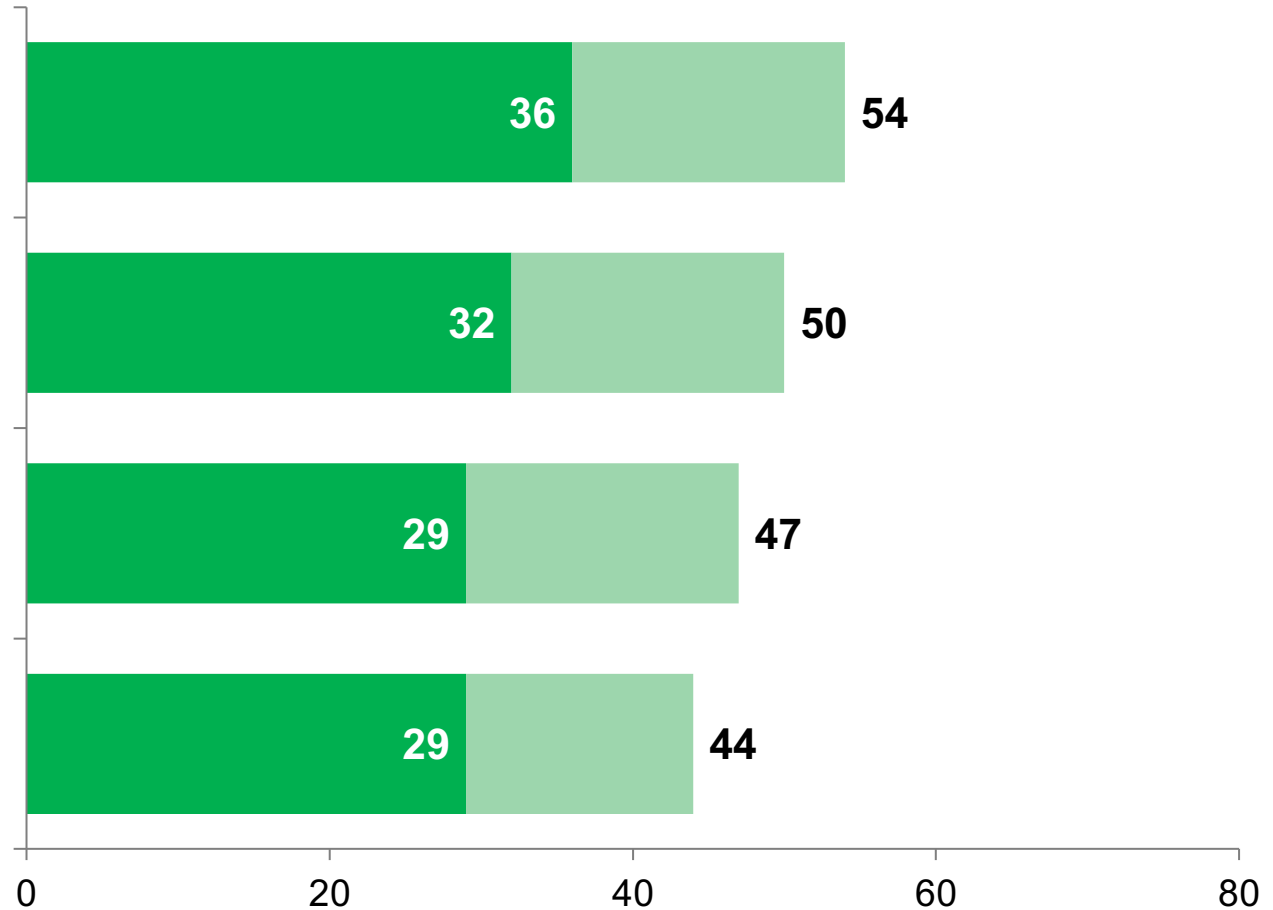


That the richest 1% cheat on their taxes more and evade \$175 billion in taxes each year is seen as slightly more effective than other messages to make the case for raising taxes on the wealthy.

### Reasons to Raise Taxes on the Wealthy

■ 10 - Extremely strong reason to raise taxes on the wealthy and corporations      ■ 8-9

The richest 1% cheat on their taxes more often than regular people, and they evade \$175 billion in taxes every year



Millionaires living off their income from stocks can pay a lower tax rate than teachers and nurses pay on their wages

650 U.S. billionaires saw their total wealth increase by 55%, or \$1.6 trillion during the first 13 months of the pandemic

The richest 1% saw their net worth rise by \$4 trillion last year. They captured one-third of the extra wealth generated nationwide