



Crossroads GPS Tax Cuts National Survey

Key findings from a survey of 1,000 voters
conducted November 29 – December 2, 2010



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Methodology

Public Opinion Strategies conducted a national telephone survey of 1,000 likely voters, including a sample of 150 interviews among likely voters who receive all their calls on a cell phone. The survey was conducted November 29, 2010 - December 2, 2010 and has a margin of error of +3.1% in 95 out of 100 cases. Minimal weights have been applied to age, gender, and ethnicity. As seen in the table below, the composition of the sample closely mirrors the 2008 and 2010 electorates.

Age	2008 Exit Polls	2010 Exit Polls	Survey Results
18-44	47%	36%	41%
45-64	37%	43%	39%
65+	16%	21%	19%
Refused			1%
Party	2008 Exit Polls	2010 Exit Polls	Survey Results
GOP	32%	35%	40%
Ind	29%	29%	22%
Dem	39%	35%	37%
Ref	0%	1%	1%
2008 Pres Vote	2008 Results	2010 Exit Polls	Survey Results
McCain	47%	48%	43%
Obama	52%	45%	46%
Other	1%	2%	2%
Did Not Vote/Refused		4%	9%
Ethnicity	2008 Exit Polls	2010 Exit Polls	Survey Results
White	74%	77%	73%
African American	13%	11%	12%
Hispanic	9%	8%	8%
Asian	2%	2%	2%
Other	3%	2%	2%
Refused			2%

Glen Bolger was the principal researcher on this project. Jim Hobart was the project director, and Bryan Kitz provided analytical support.

Split Sampling

Many of the questions in the survey were split sampled so that two different descriptions of the tax cuts scheduled to expire at the end of 2010 could be tested.

Respondents in Sample A were told that the tax cuts could be extended. Respondents were given a choice to extend the tax cuts, or to let the tax cuts expire.

Respondents in Sample B were told that taxes could be raised. Respondents were given a choice between keeping the current tax rates, or raising taxes.

Please see the wording of questions 7 and 8 from the survey below for an example of the differing wording.

(ASKED OF SAMPLE A)

Q7. As you may know, tax cuts that were passed in 2001 will expire on January 1st if the President and Congress do not extend them. If you were in Congress and you had a choice between voting to extend the tax cuts or letting the tax cuts expire, would you vote to (ROTATE) extend the tax cuts or let the tax cuts expire?

(ASKED OF SAMPLE B)

Q8. As you may know, tax cuts that were passed in 2001 will expire on January 1st if the President and Congress do not extend them. If you were in Congress and you had a choice between voting keep current tax rates or raise taxes on January 1, would you vote to (ROTATE) keep current tax rates or to raise taxes?

Split Sample A and Split Sample B were each 500 likely voters. Respondents in Split Sample A received the tax cut extension language throughout the survey, and respondents in Sample B received the tax raise language throughout the survey.

Party, age, region, ethnicity, gender and 2008 Presidential vote are identical within Sample A and Sample B.

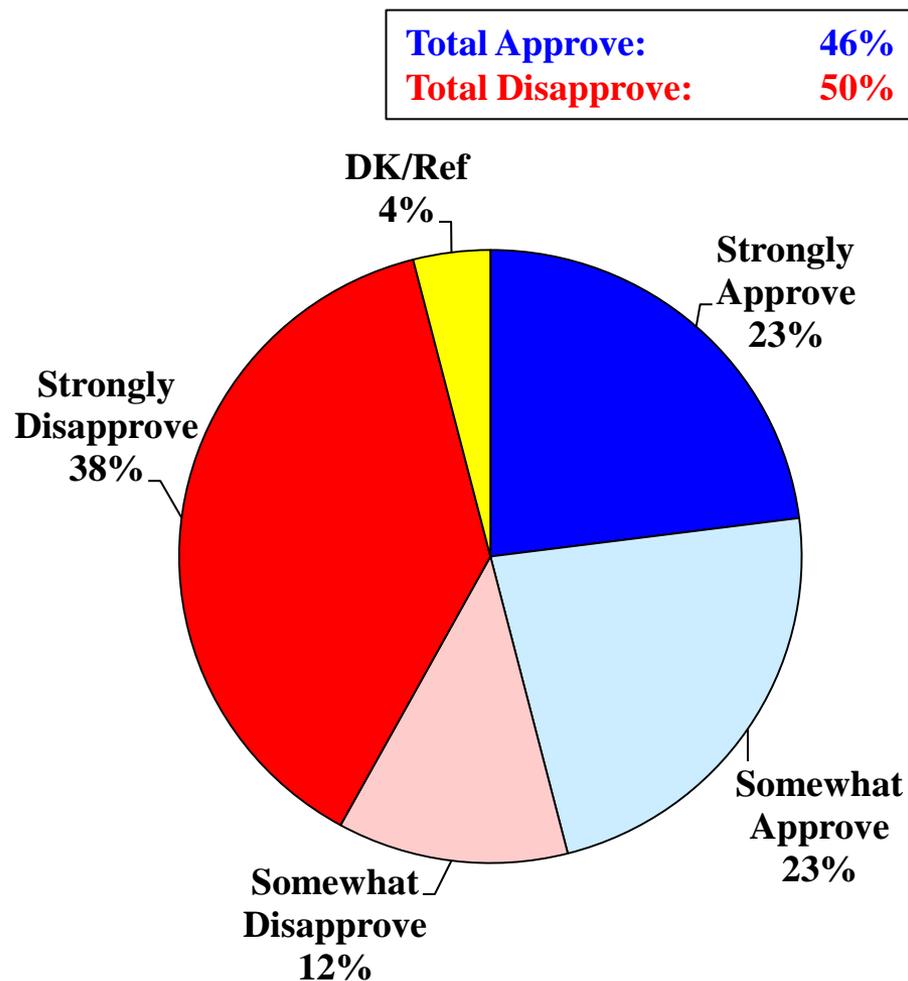
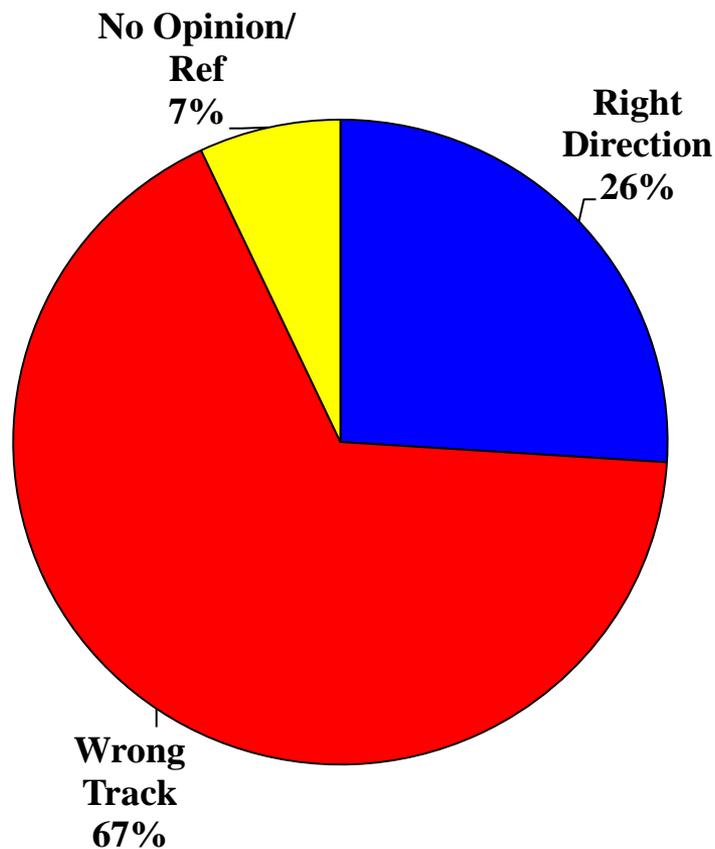


Political Environment

Voters are very pessimistic about the country's direction. One-half disapprove of President Obama.

National Mood

Obama Approval

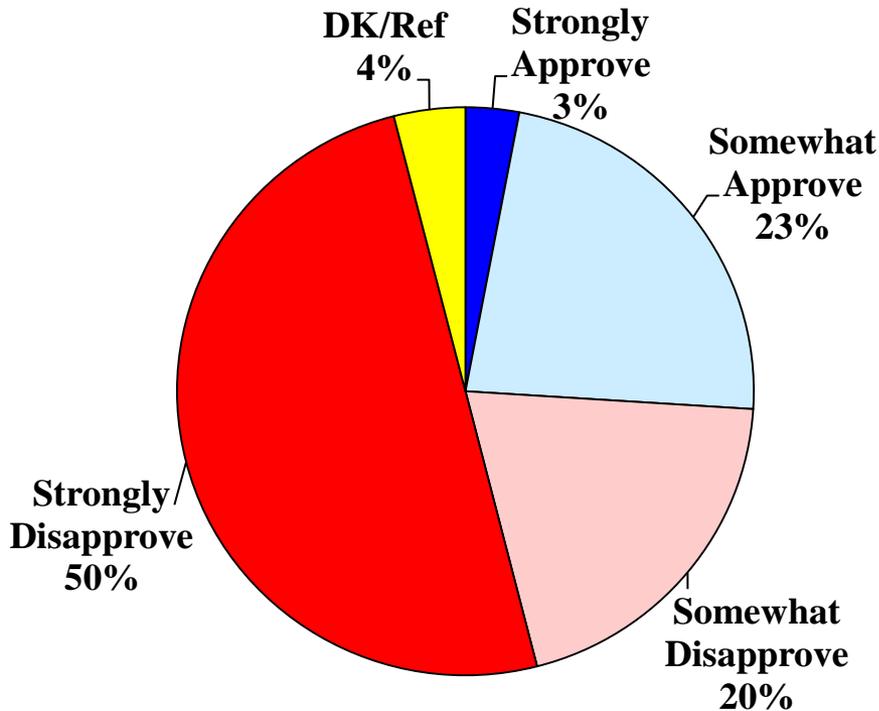


Total Approve:	46%
Total Disapprove:	50%

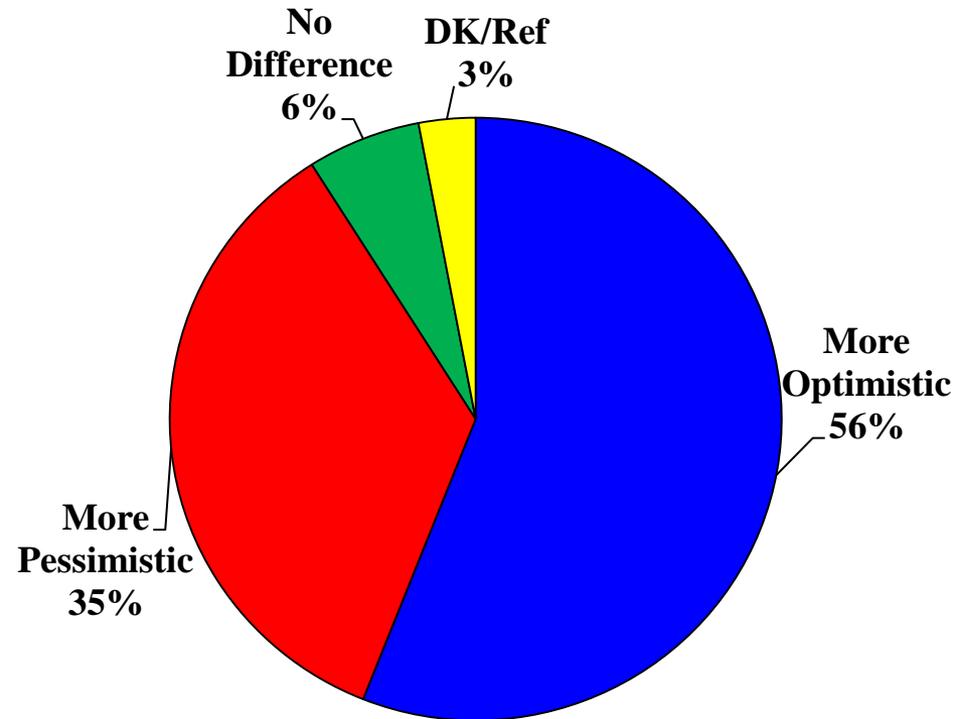
A large majority of voters disapprove of Congress, but over half are optimistic because of the election.

“Do you approve or disapprove of the job U.S. Congress is doing?”

Total Approve: 26%
Total Disapprove: 70%

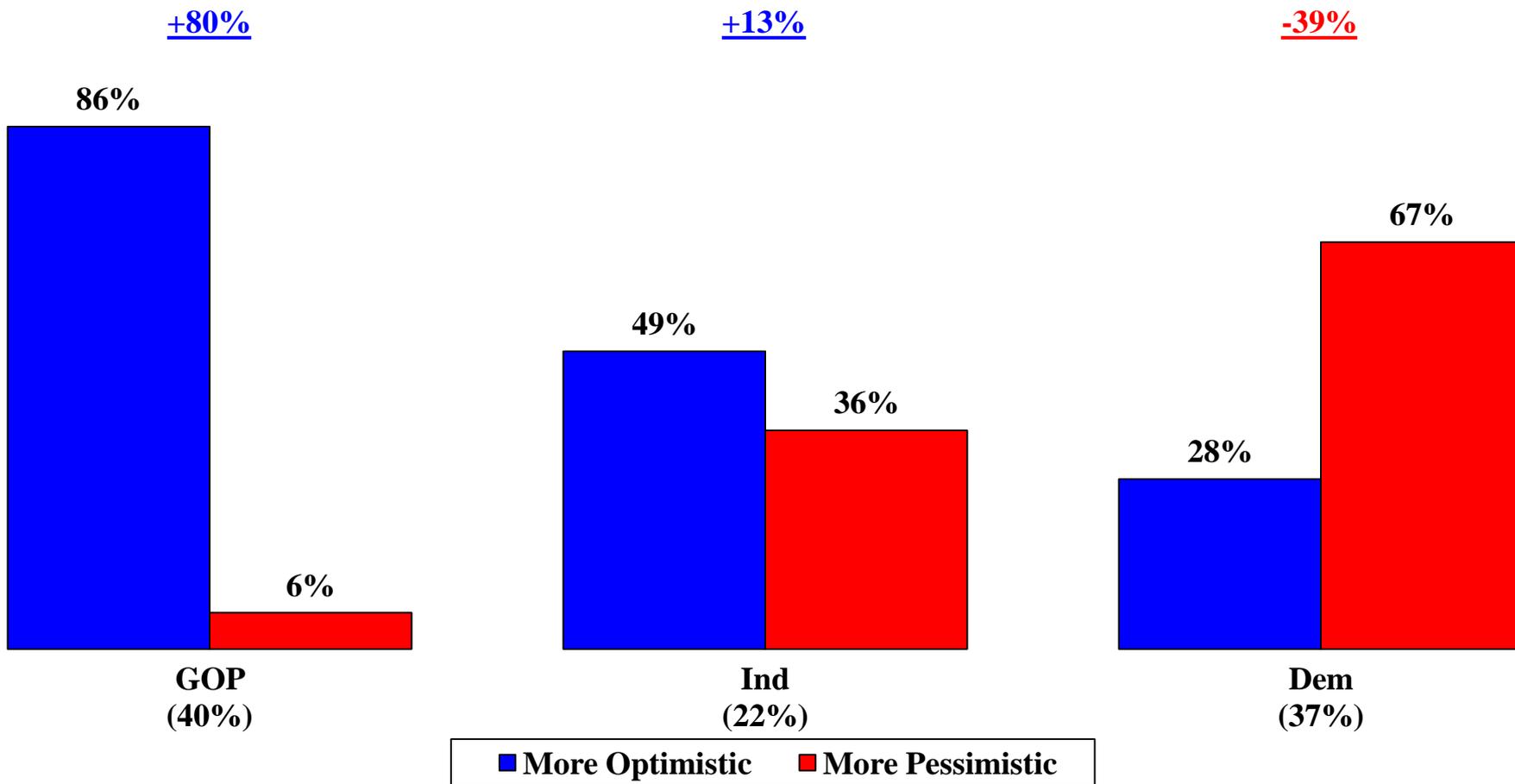


“As you may know, in the recent November mid-term elections, the Republican party took control of the U.S. House of Representatives and made significant gains in the U.S. Senate. Do those changes in Washington make you more optimistic or more pessimistic about the direction of the country?”



Most GOPers and a plurality of Inds are more optimistic about the country's direction because of the election.

“As you may know, in the recent November mid-term elections, the Republican party took control of the U.S. House of Representatives and made significant gains in the U.S. Senate. Do those changes in Washington make you more optimistic or more pessimistic about the direction of the country?” (By Party)





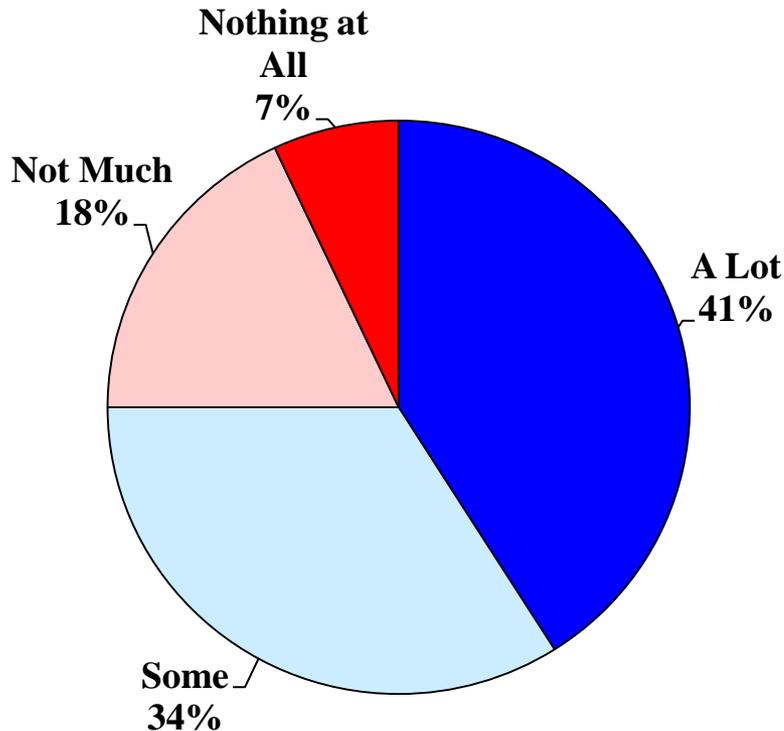
Tax Cuts

Most voters have heard about the tax cuts issue. A majority of men have heard a lot about it.

“How much have you seen, read, or heard about the issue of extending or ending tax cuts that were passed in 2001 – a lot, some, not much, or nothing at all?”

Overall

A Lot/Some:	75%
Nothing/Not Much:	25%



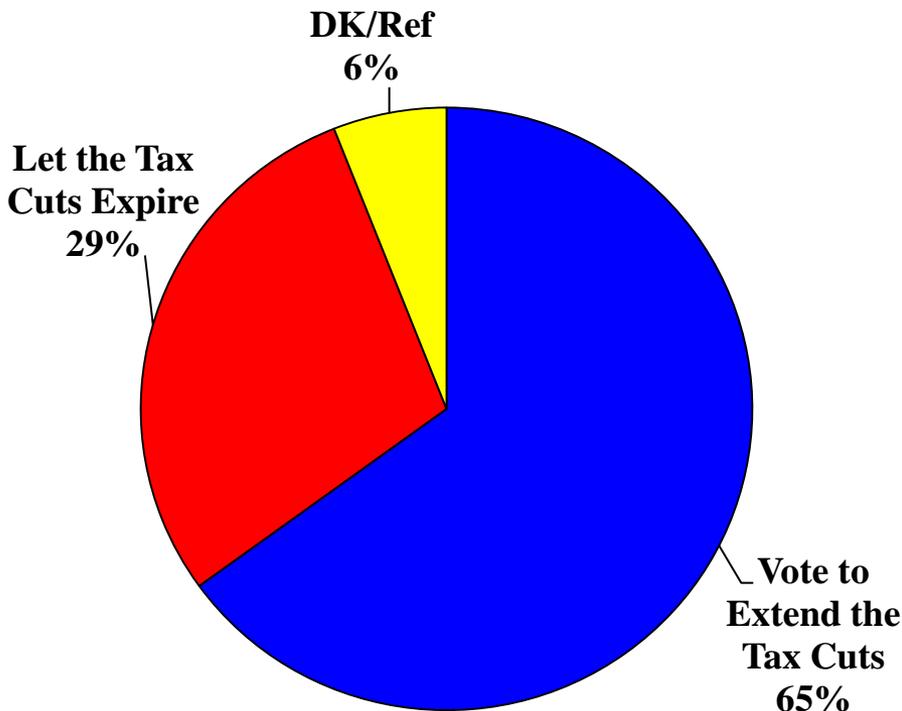
Top Groups

A Lot (41%)

Wh Men w/ Deg	64%
> College Deg	60%
White Men	57%
\$100K+	53%
Men	52%
Base GOP	51%
Wh Men w/o Deg	51%
Very Conservative	50%
\$60K-\$80K	50%
Midwest	49%
GOP	48%
Married	48%
Soft GOP	46%
Conservative	46%
\$80K-\$100K	46%

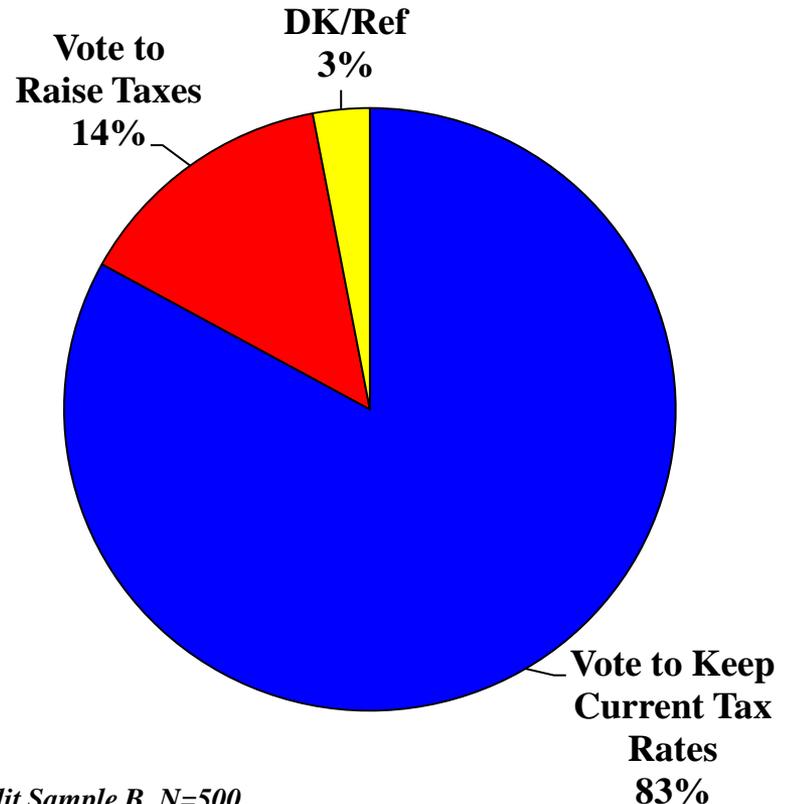
Voters want the tax cuts extended, and oppose raising taxes.

*“As you may know, tax cuts that were passed in 2001 will expire on January 1st if the President and Congress do not extend them. If you were in Congress and you had a choice between voting to extend the tax cuts or letting the tax cuts expire, would you vote to extend the tax cuts or let the tax cuts expire?”**



*Split Sample A, N=500

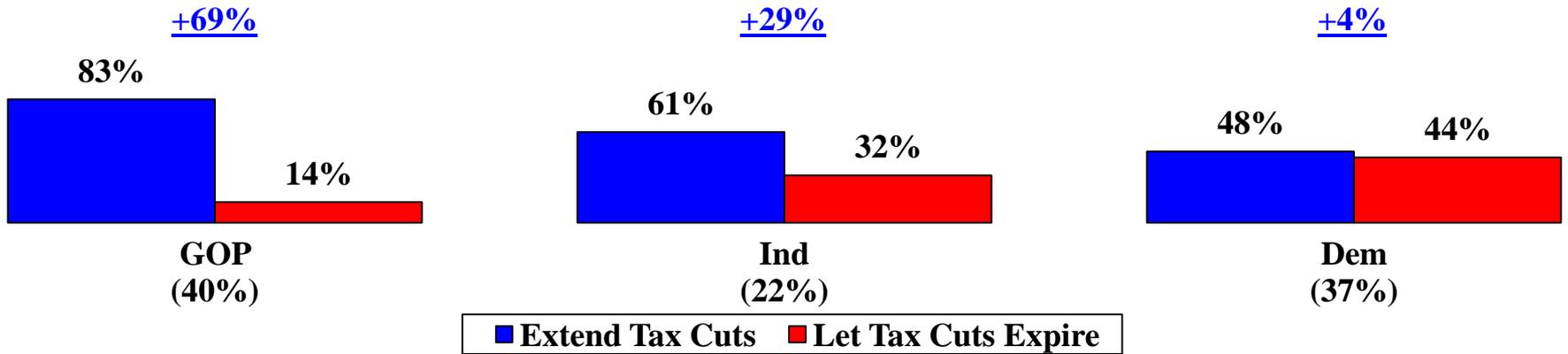
“As you may know, tax cuts that were passed in 2001 will expire on January 1st if the President and Congress do not extend them. If you were in Congress and you had a choice between voting to keep current tax rates or raise taxes on January 1, would you vote to keep current tax rates or to raise taxes?”^



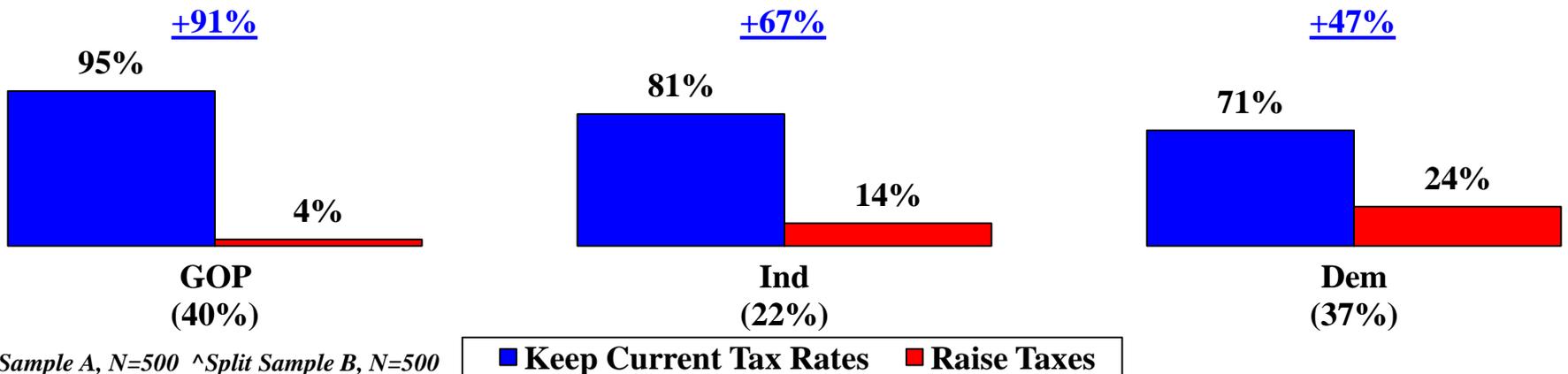
^Split Sample B, N=500

The “keep current tax rates/raise taxes” results are solid across party lines.

*Extend Tax Cuts/Let Tax Cuts Expire**



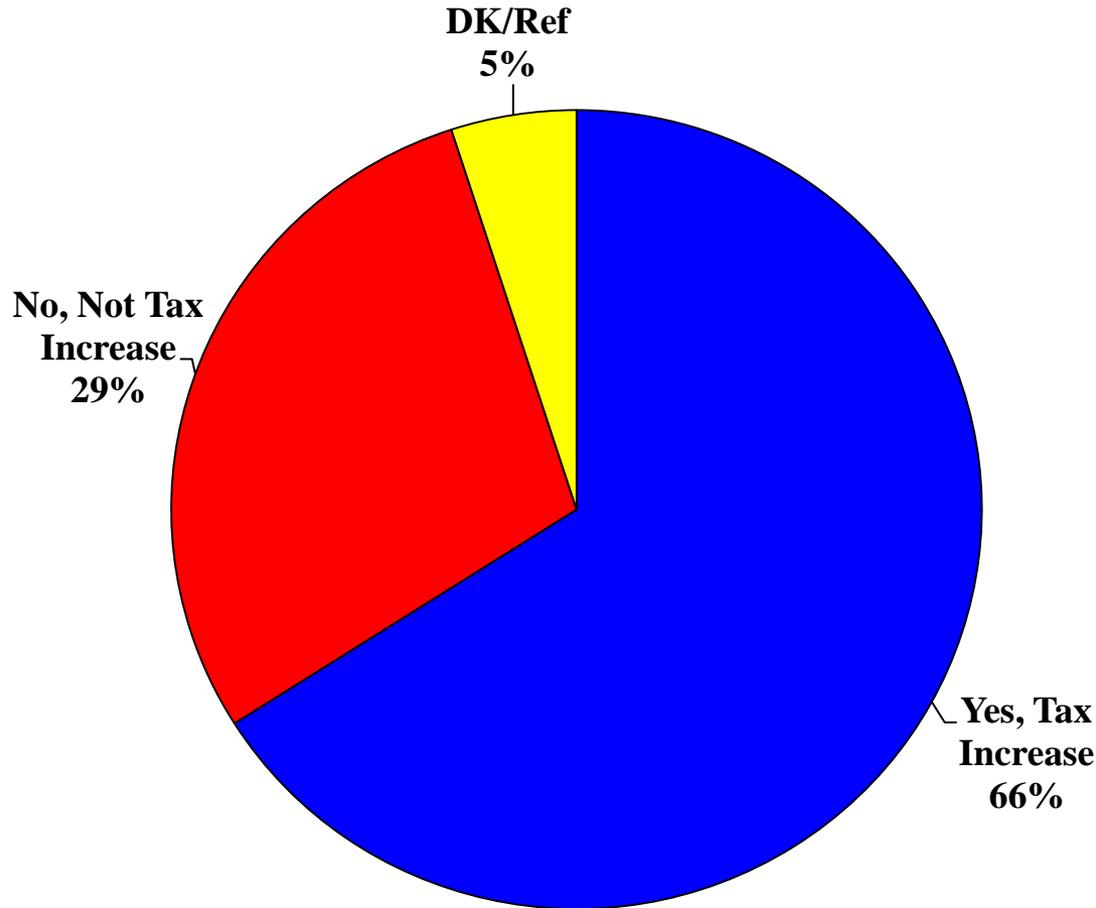
Keep Current Tax Rates/Raise Taxes^



*Split Sample A, N=500 ^Split Sample B, N=500

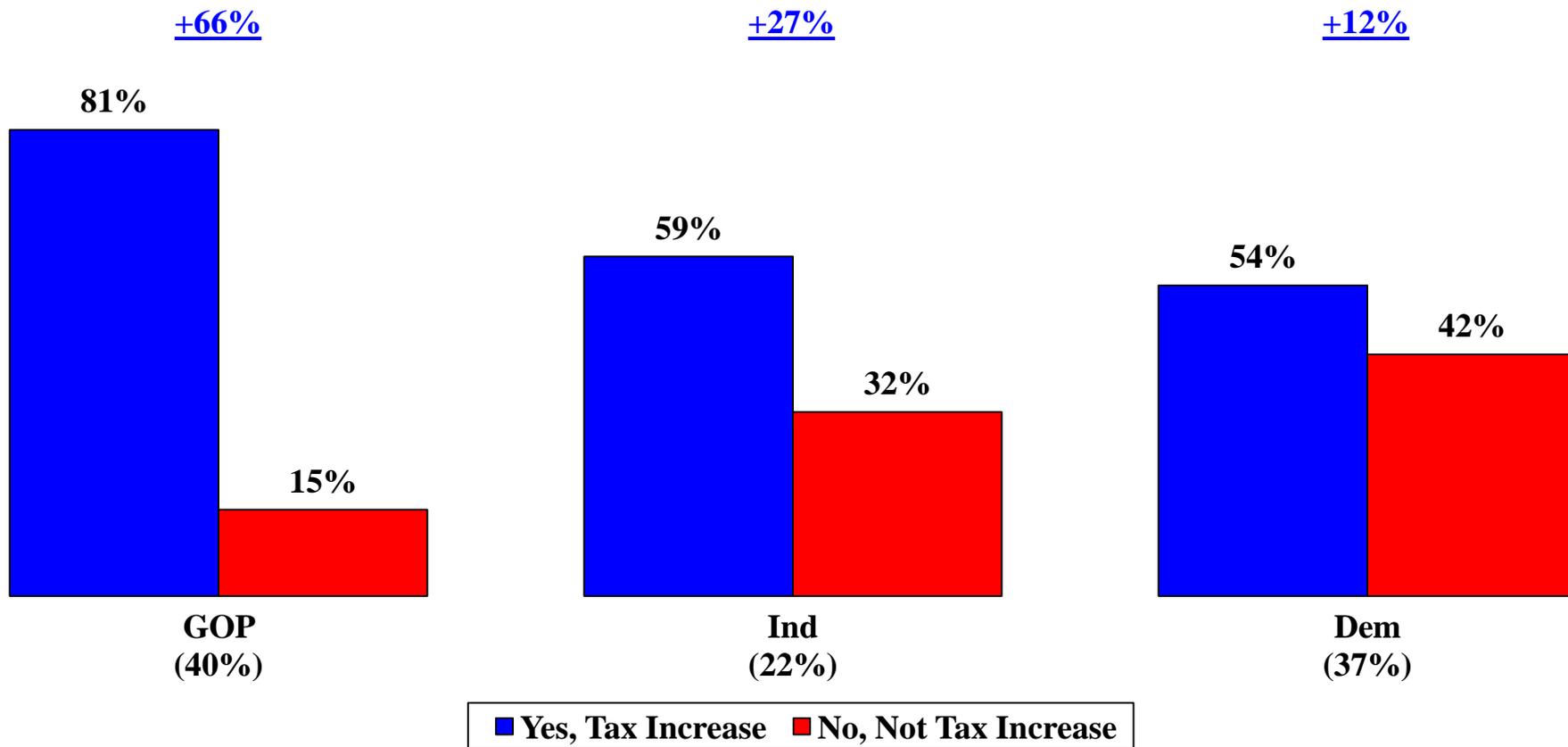
Voters consider not extending the tax cuts a tax increase.

“If the tax cuts are not extended, would you consider that to be a tax increase?”



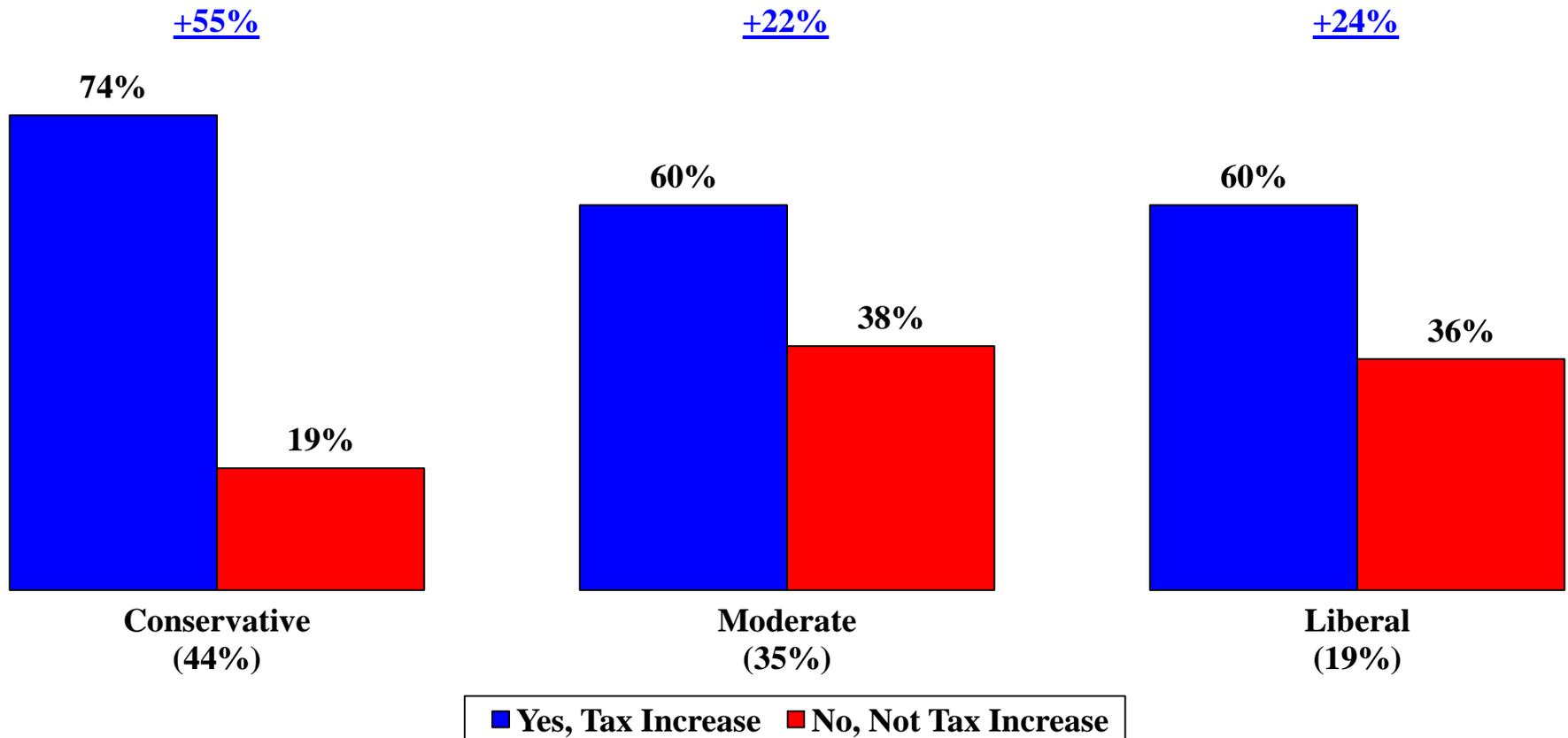
Even a majority of Democrats say they consider not extending the tax cuts a tax increase.

“If the tax cuts are not extended, would you consider that to be a tax increase?” (By Party)



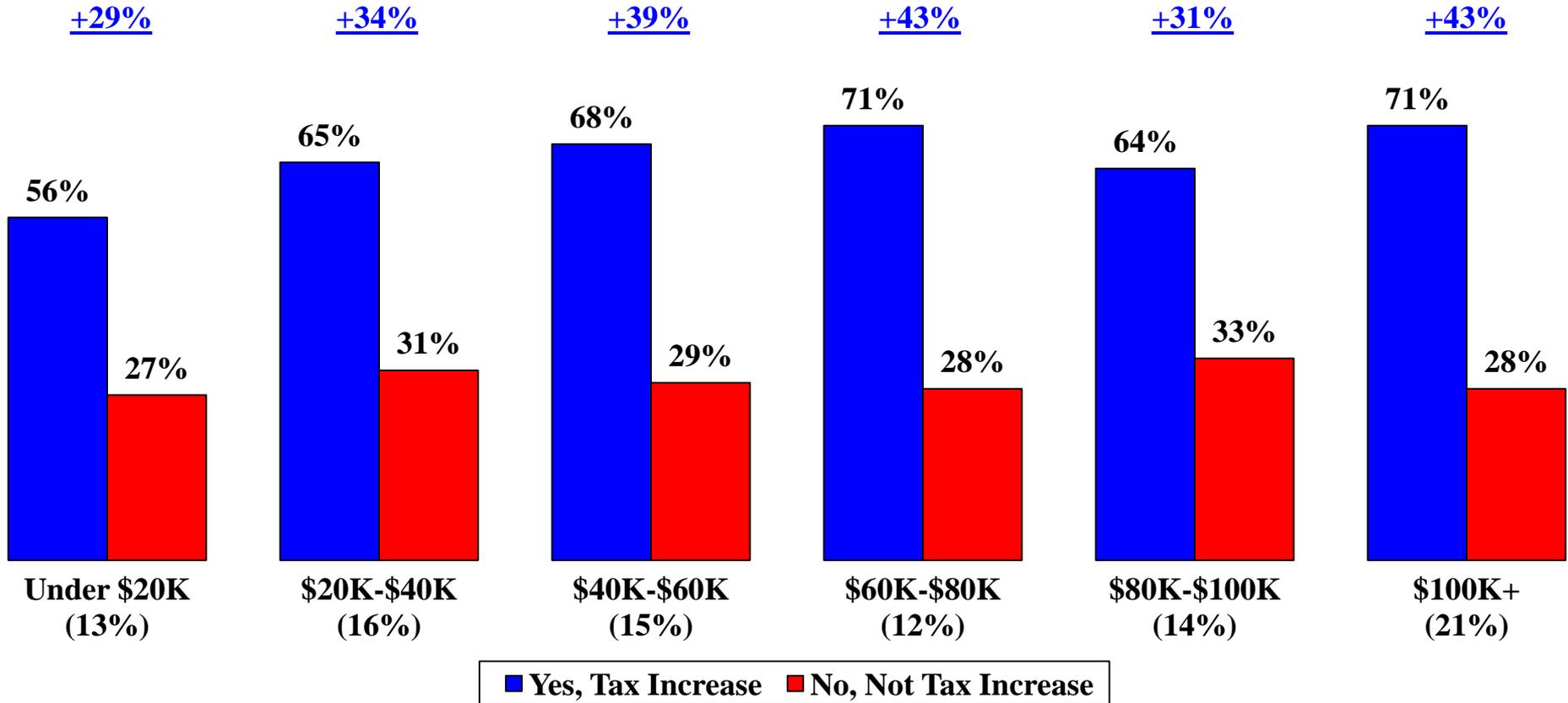
Conservatives, moderates, and liberals all consider not extending the tax cuts a tax increase.

“If the tax cuts are not extended, would you consider that to be a tax increase?” (By Ideology)



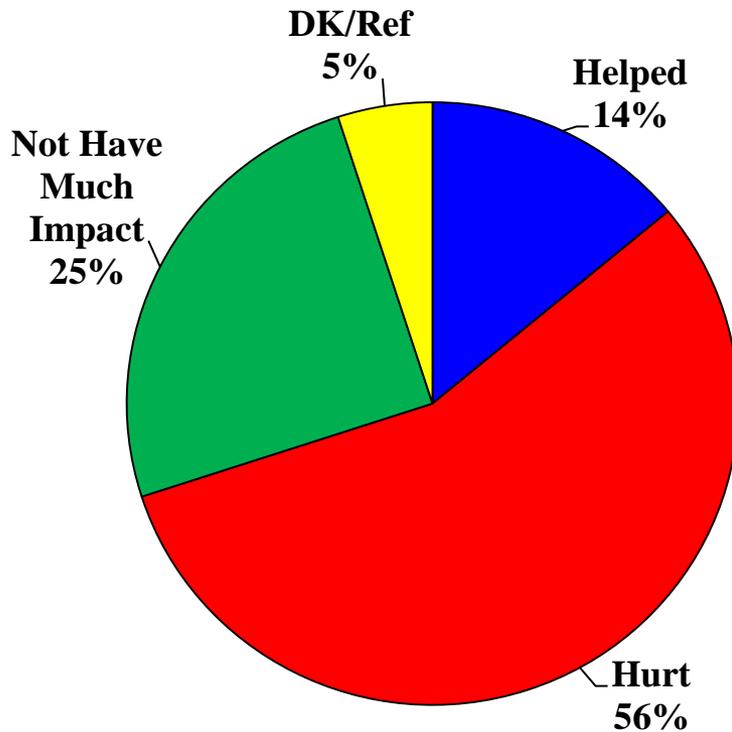
Voters of all income levels say not extending the tax cuts is a tax increase.

“If the tax cuts are not extended, would you consider that to be a tax increase?” (By Income)

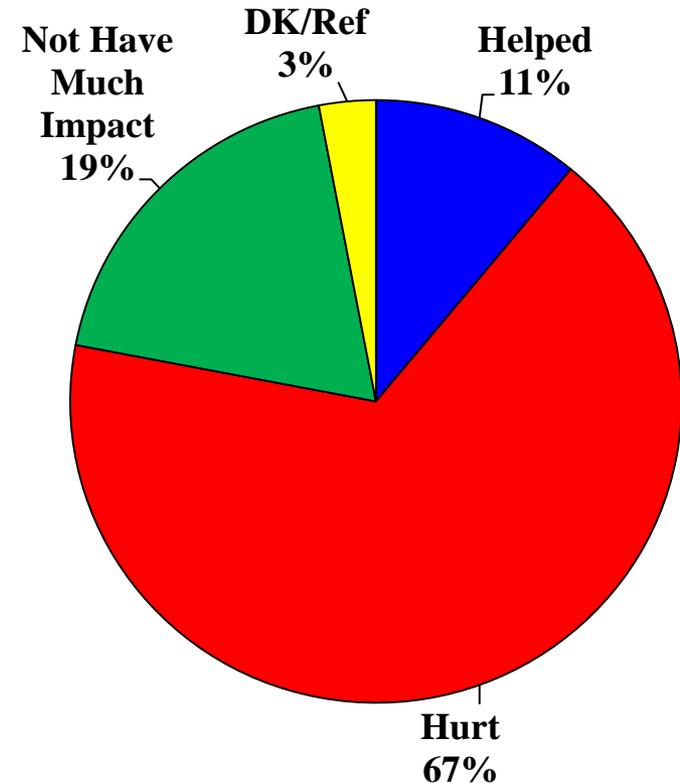


A majority of voters say that not extending tax cuts/raising taxes will hurt the economy. “Raising taxes” is perceived to be even more harmful.

*“Do you think that if the tax cuts are not extended that the economy will be helped, be hurt, or will it not have much impact?”**



“Do you think that if taxes are raised the economy will be helped, be hurt, or will it not have much impact?”^



*Split Sample A, N=500

^Split Sample B, N=500

Voters say the tax cuts should only be extended for two years, but many GOPers support a longer extension.

“Thinking further about that. . .if the 2001 tax cuts are extended, should they be extended for two years, or extended for a longer period of time?”

Overall

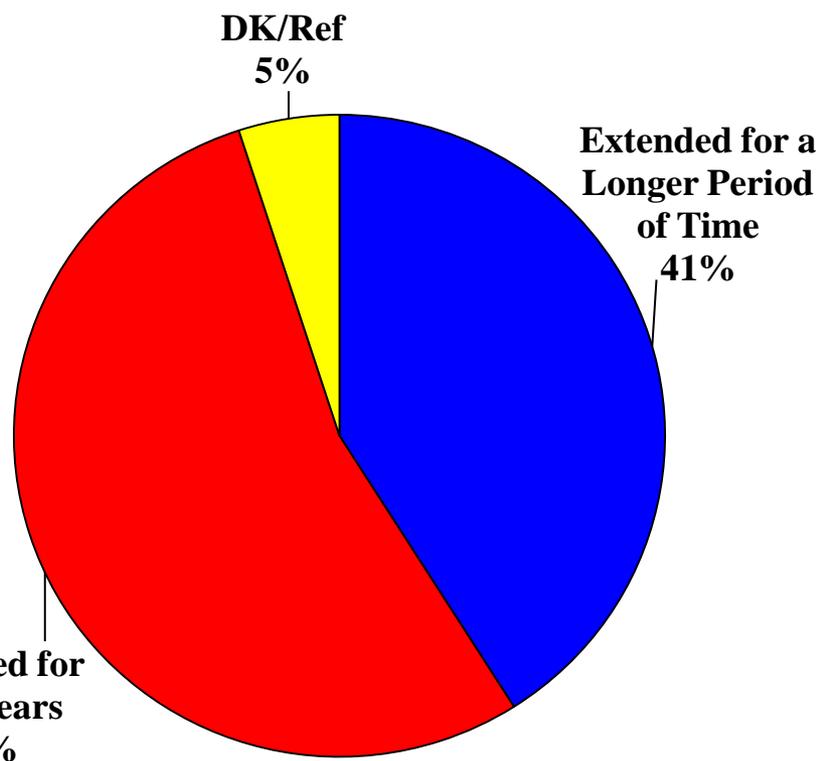
Top Groups

Extended for a Longer Period of Time (41%)

Base GOP	61%	GOP Women	46%
Soft GOP	54%	Very Cons	58%
GOP	57%	Smwt Cons	48%
White Men	47%	Cons	52%
South	46%	Wh Men w/o Deg	47%
Men	46%	Wh Men w/ Deg	47%
Men 35-54	49%		
Men 55+	46%		
Men 65+	49%		
GOP Men	68%		

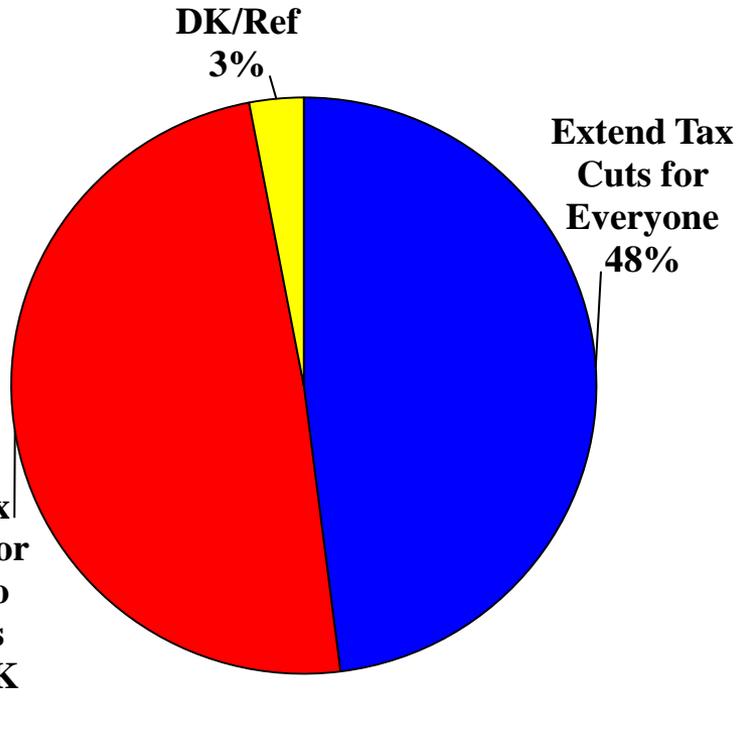
Extended for Two Years (54%)

Dem Men	71%	Ind Women	62%
White Soft Dem	70%	Liberal	62%
Soft Dem	68%	Hispanic	61%
Women 18-34	68%	18-34	61%
Dem	67%	Af Am	60%
White Dem	67%	Northeast	59%
Women 65+	66%	\$40K-\$60K	59%
Base Dem	65%	Wh Women w/o Deg	59%
Moderate	65%	Not Married	59%
Dem Women	64%		

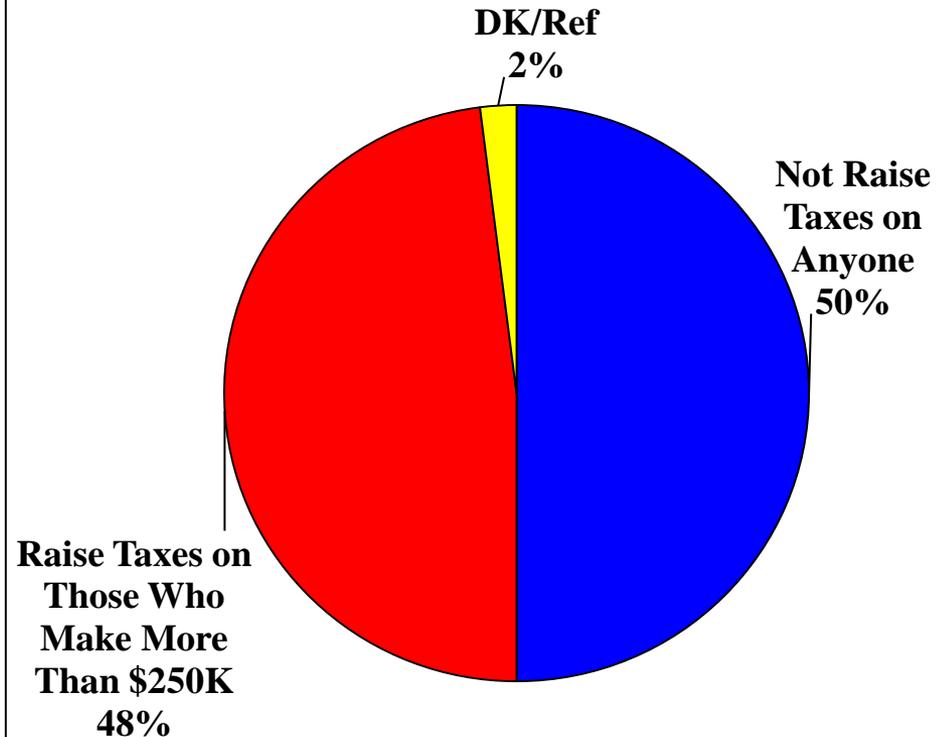


Voters are divided on higher taxes for people earning more than \$250,000.

*“Some people support extending the tax cuts from 2001 only for people who make less than \$250,000 per year, while other people support extending the tax cuts for everyone, including those earning more than \$250,000 per year. Which do you think Congress should do – extend the tax cuts from 2001 only for people who make less than \$250,000 per year, or extend the tax cuts from 2001 for everyone?”**



“Some people support raising taxes on people who make more than \$250,000 per year, while other people support not raising taxes on anyone. Which do you think Congress should do – raise taxes on people who make more than \$250,000 per year, or not raise taxes on anyone?”^

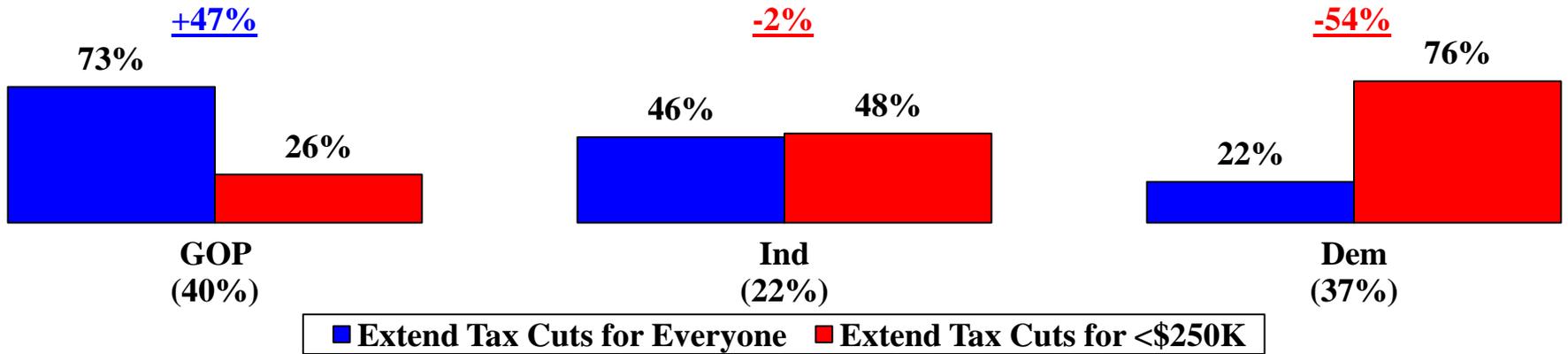


*Split Sample A, N=500

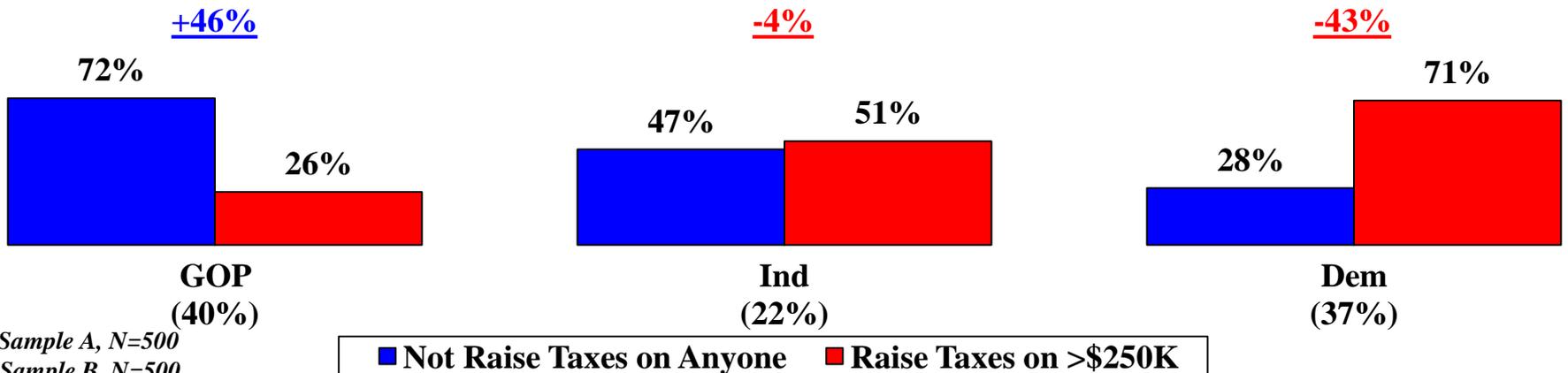
^Split Sample B, N=500

Independents are split on raising taxes on people earning more than \$250K.

*Extend Tax Cuts for Everyone/Extend Tax Cuts for <\$250K**



Not Raise Taxes on Anyone/Raise Taxes on >\$250K^

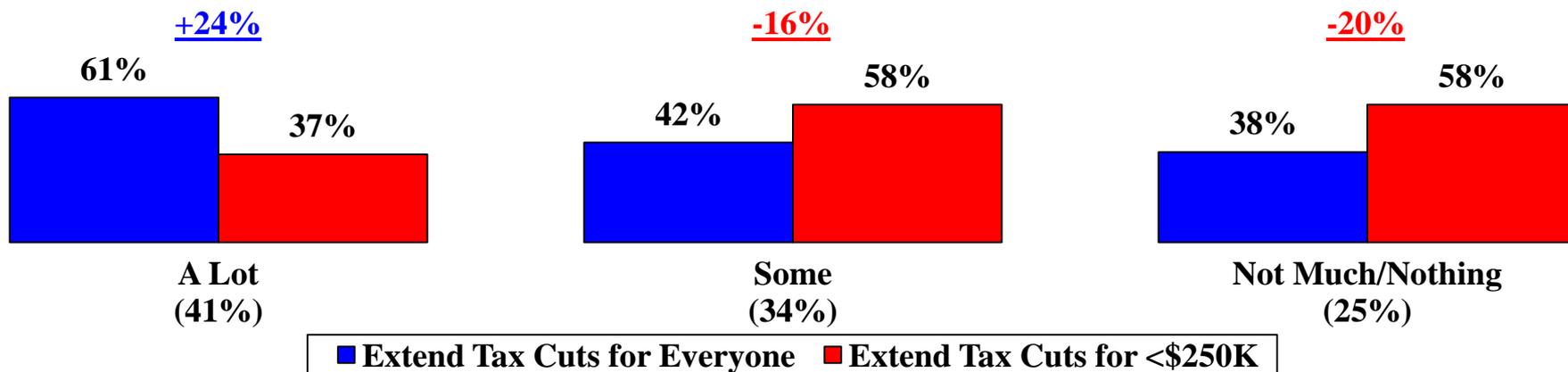


*Split Sample A, N=500

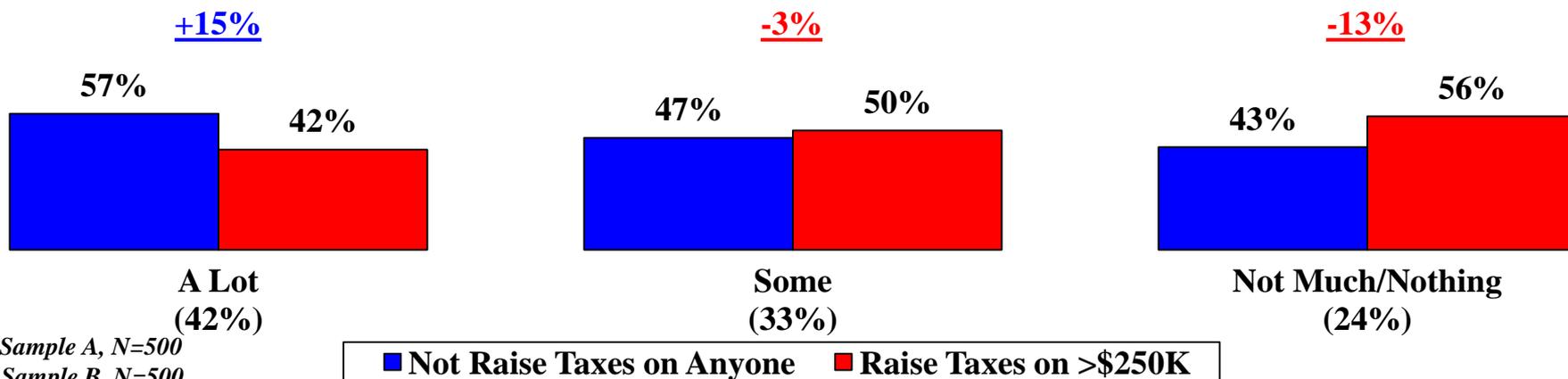
^Split Sample B, N=500

Voters who have heard a lot about the tax cuts debate are far more supportive of not punishing those earning \$250K+.

*Extend Tax Cuts for Everyone/Extend Tax Cuts for <\$250K**



Not Raise Taxes on Anyone/Raise Taxes on >\$250K^



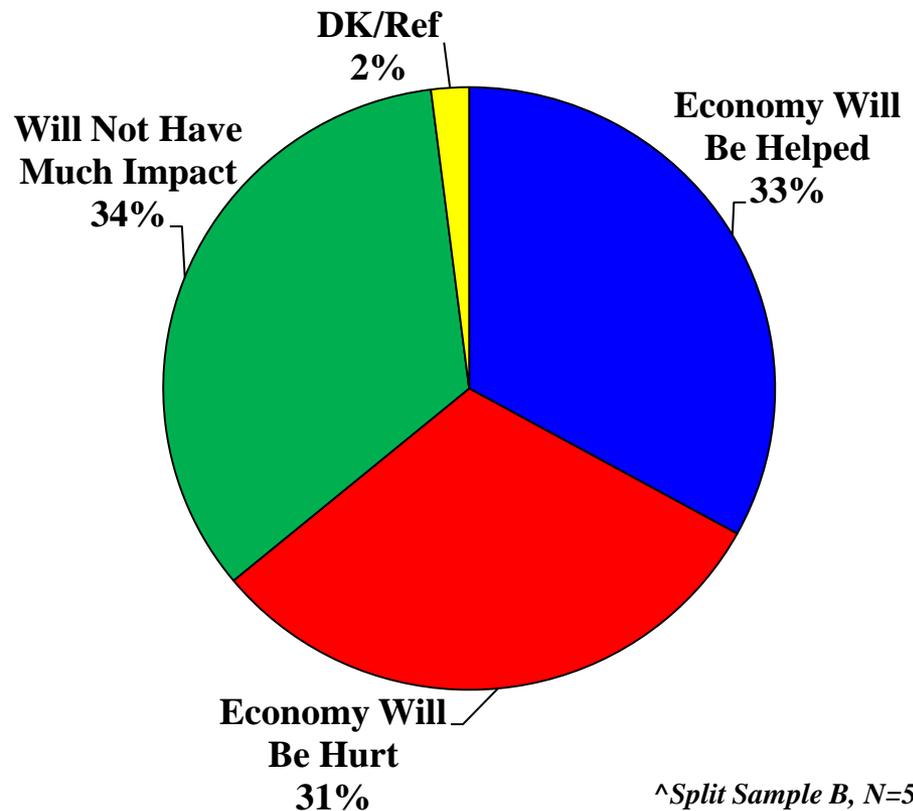
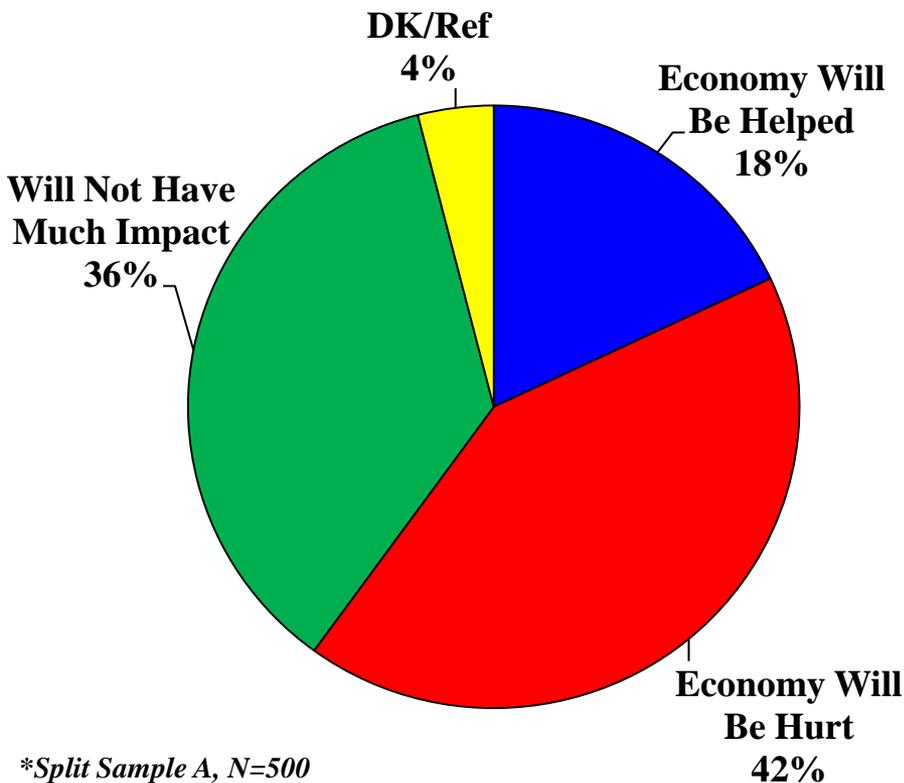
*Split Sample A, N=500

^Split Sample B, N=500

A plurality of voters say not extending the tax cuts for those earning \$250K+ will hurt the economy. Voters are divided on raising taxes for \$250K+ earners.

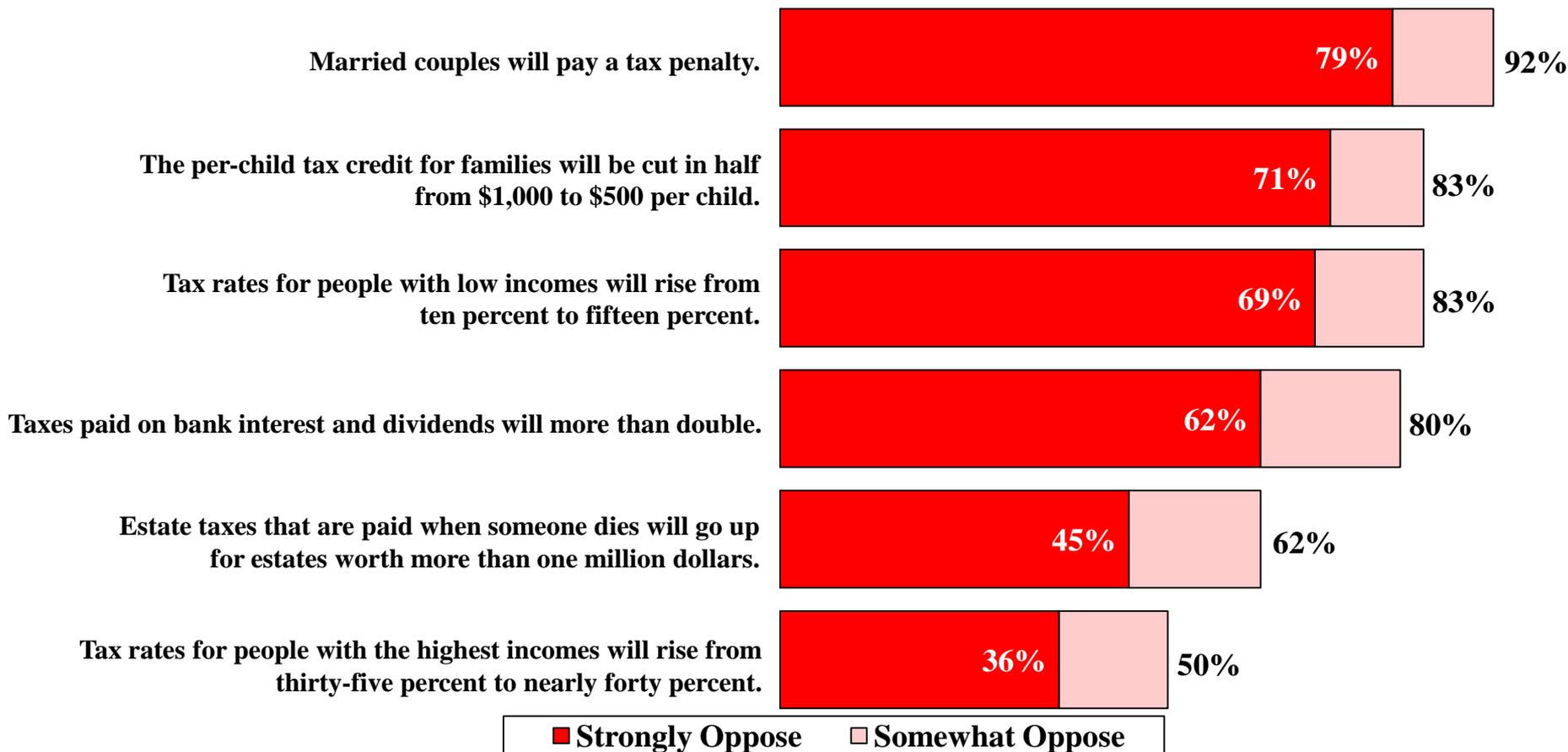
*“Do you think that if the tax cuts are not extended for those earning more than \$250,000 per year – that the economy will be helped, be hurt, or will it not have much impact?”**

“Do you think that if the taxes are raised on those earning more than \$250,000 per year – that the economy will be helped, be hurt, or will it not have much impact?”^



The marriage penalty and cutting the per child tax credit are the most unpopular changes that will take place if the tax cuts aren't renewed.

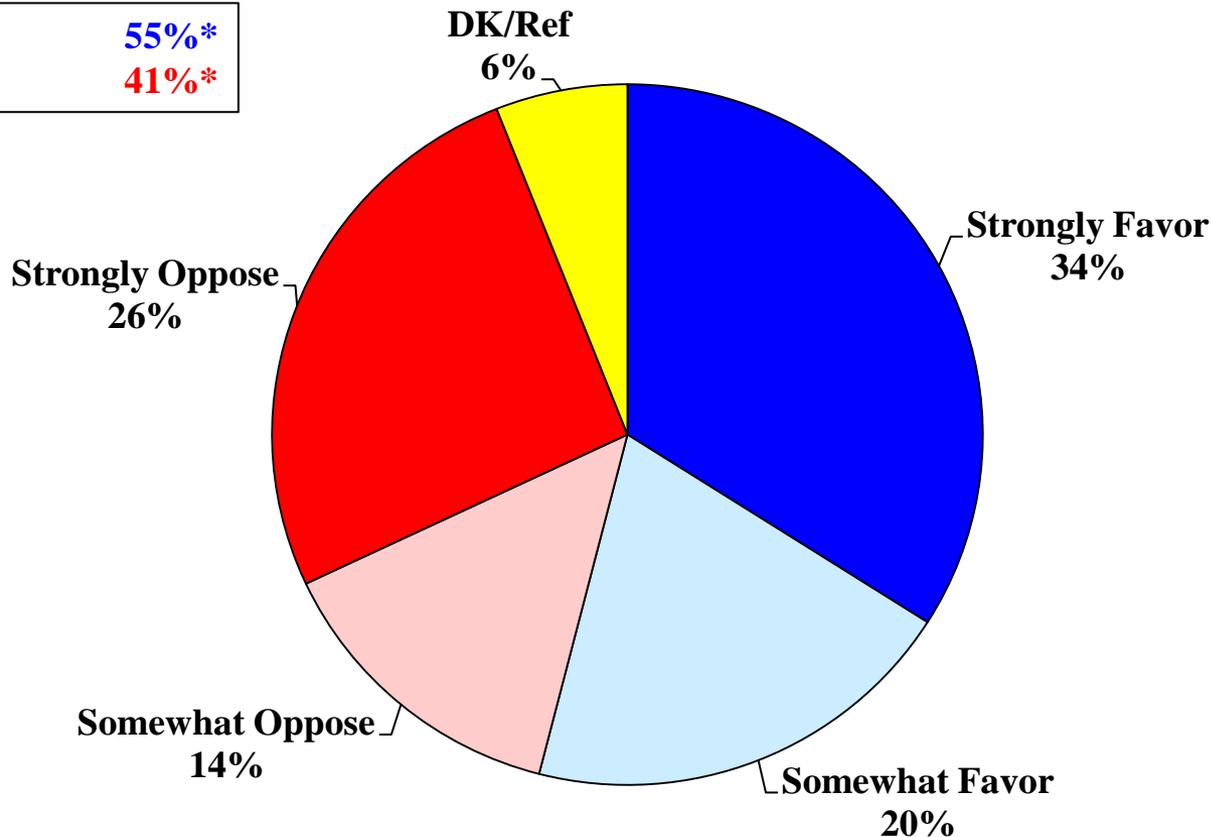
“As you may know, the 2001 tax cuts include many provisions that would change if Congress does not extend them. I am going to read a list of the provisions that would change. For each one that would change, please tell me if you favor or oppose that change.” (Ranked by % Strongly Oppose)



Language testing raising taxes on millionaires does receive a slight majority of support.

“Some have proposed a plan that increases taxes only on people that make more than one million dollars per year. Do you favor or oppose this proposal?”

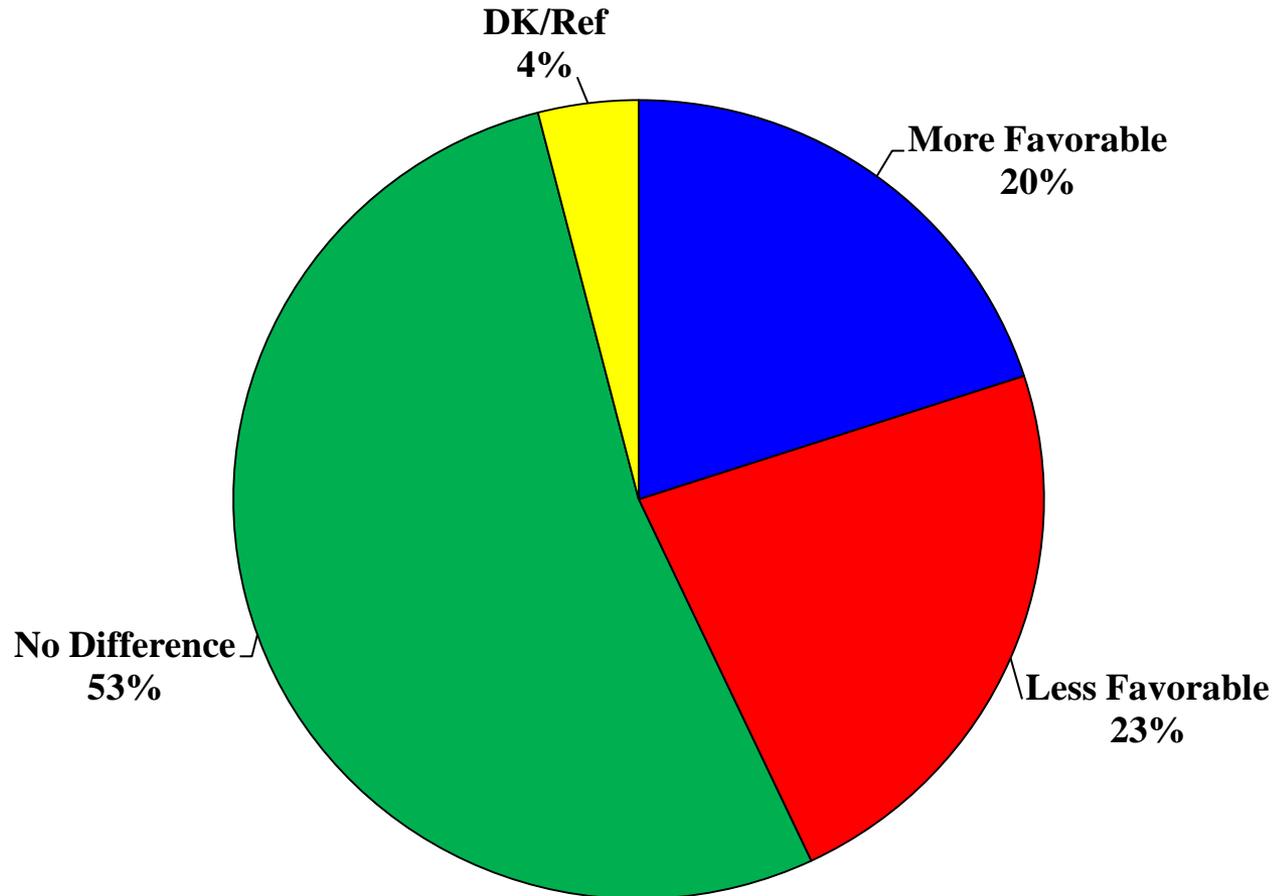
Total Favor:	55%*
Total Oppose:	41%*



**Denotes Rounding*

A majority of voters say the “George W. Bush Tax Cuts” label makes no difference to them.

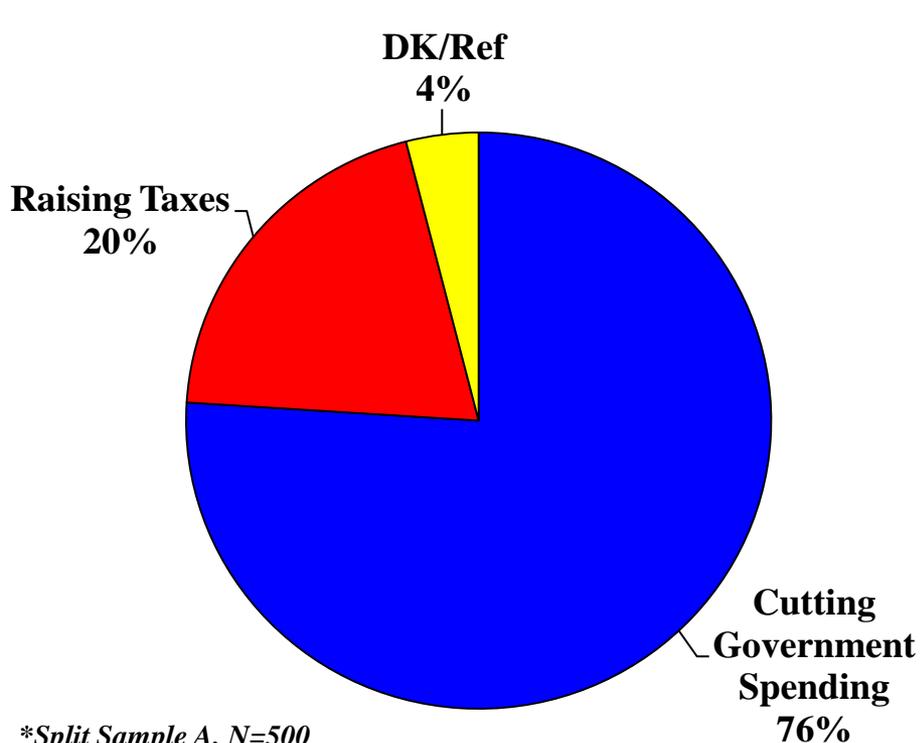
“Thinking further about the tax cuts from 2001, would it make you more favorable to the tax cuts or less favorable to the tax cuts if you learned they are also called the George W. Bush Tax Cuts?”



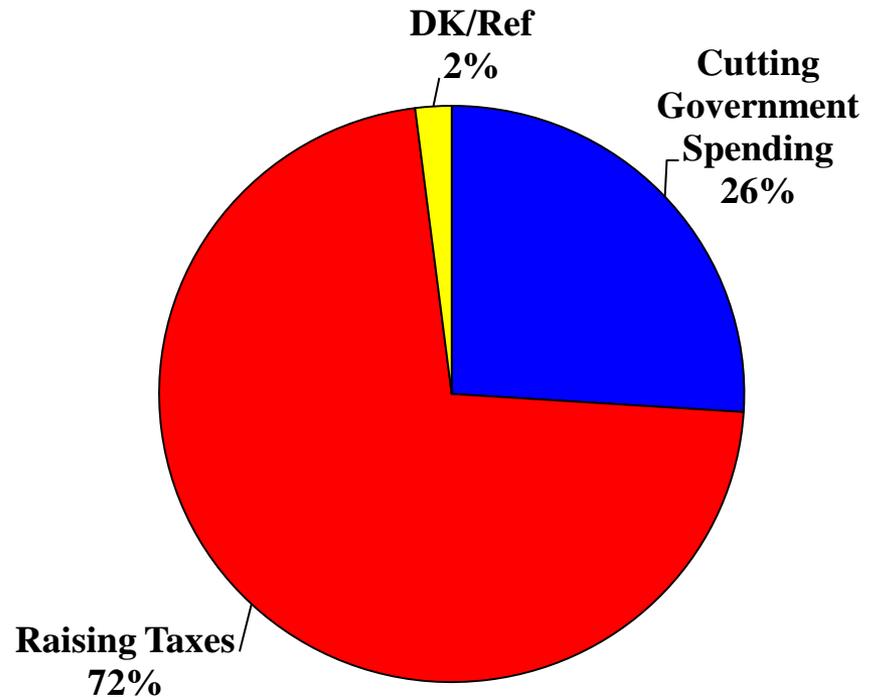
Cutting government spending is clearly the preferred means of reducing the deficit.

“Thinking about the deficit. . .there are three ways to reduce the deficit – raise taxes, cut government spending, or grow the economy. Now, I would like to ask you some questions about those three ways.”

*“Thinking just about two of those options, which do you think does LESS harm to the economy – raising taxes or cutting government spending?”**



“Thinking just about two of those options, which do you think does MORE harm to the economy – raising taxes or cutting government spending?”^

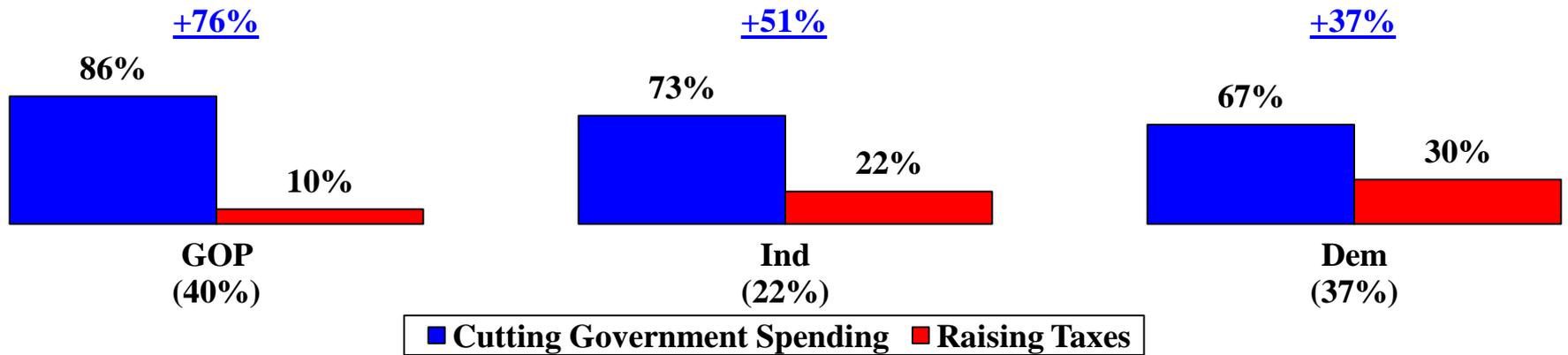


*Split Sample A, N=500

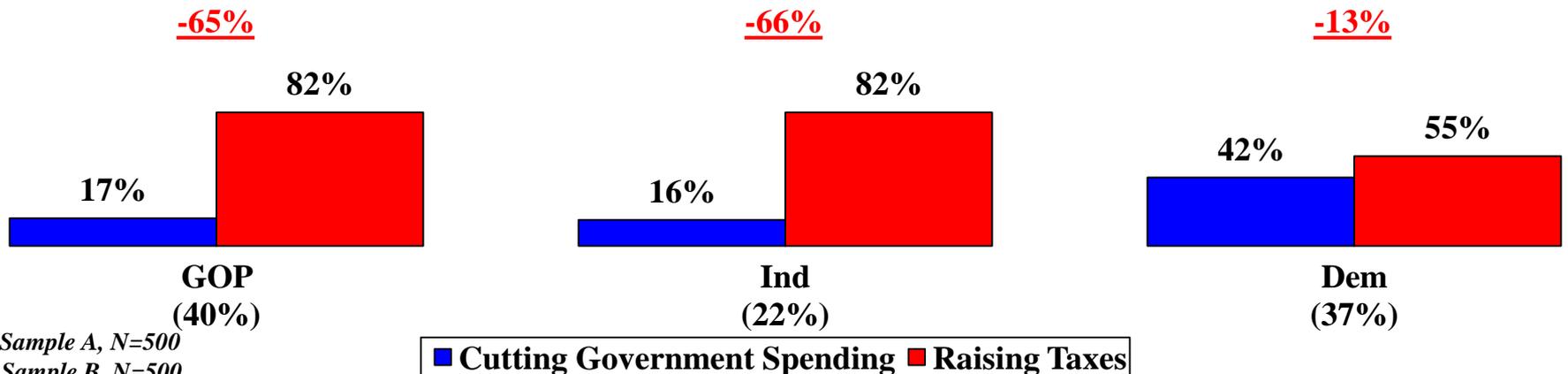
^Split Sample B, N=500

Voters across the partisan divide believe cutting spending does less harm and raising taxes does more harm to the economy.

*Less Harm – Cutting Gov't Spending/Raising Taxes**



More Harm – Cutting Gov't Spending/Raising Taxes^

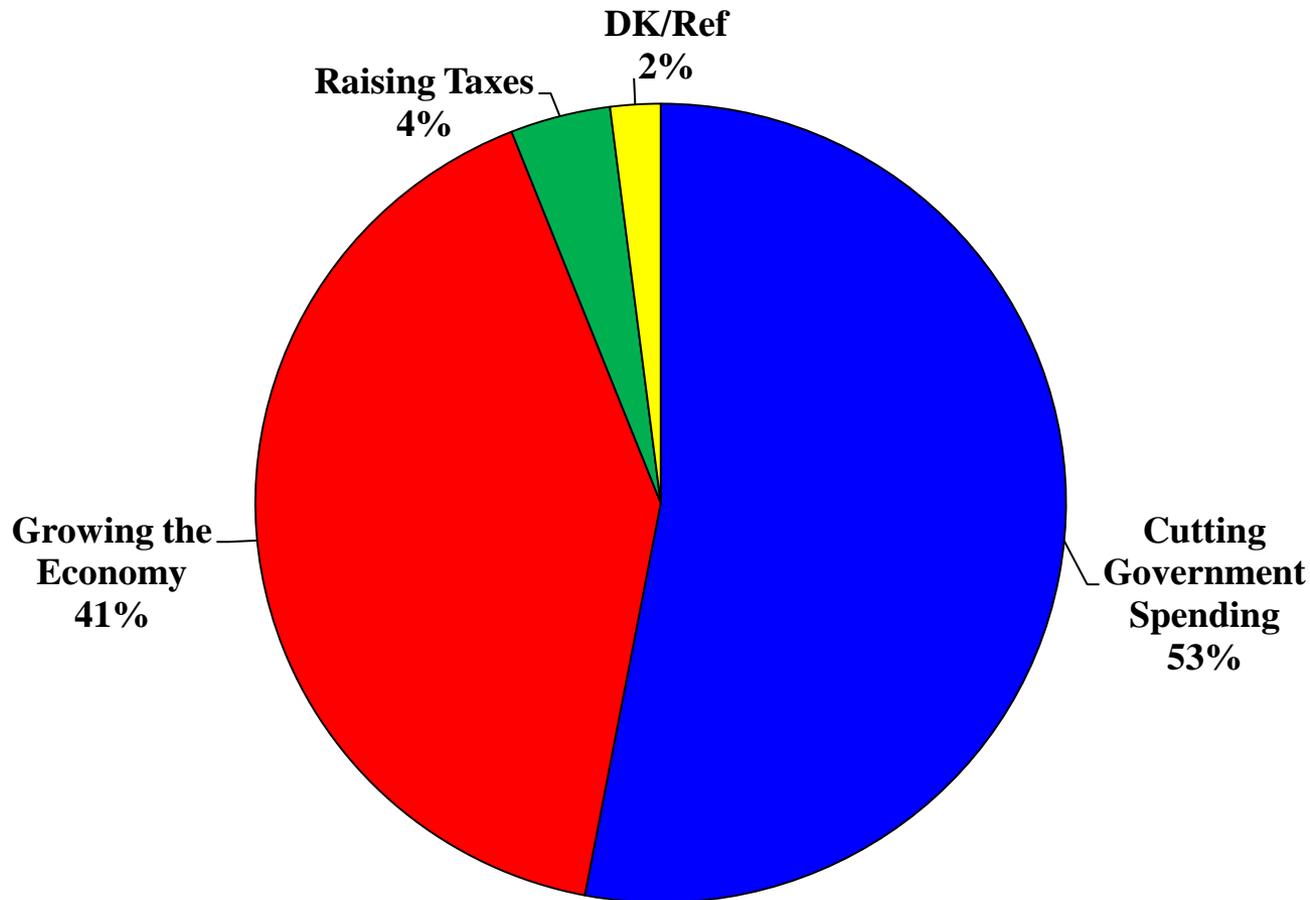


*Split Sample A, N=500

^Split Sample B, N=500

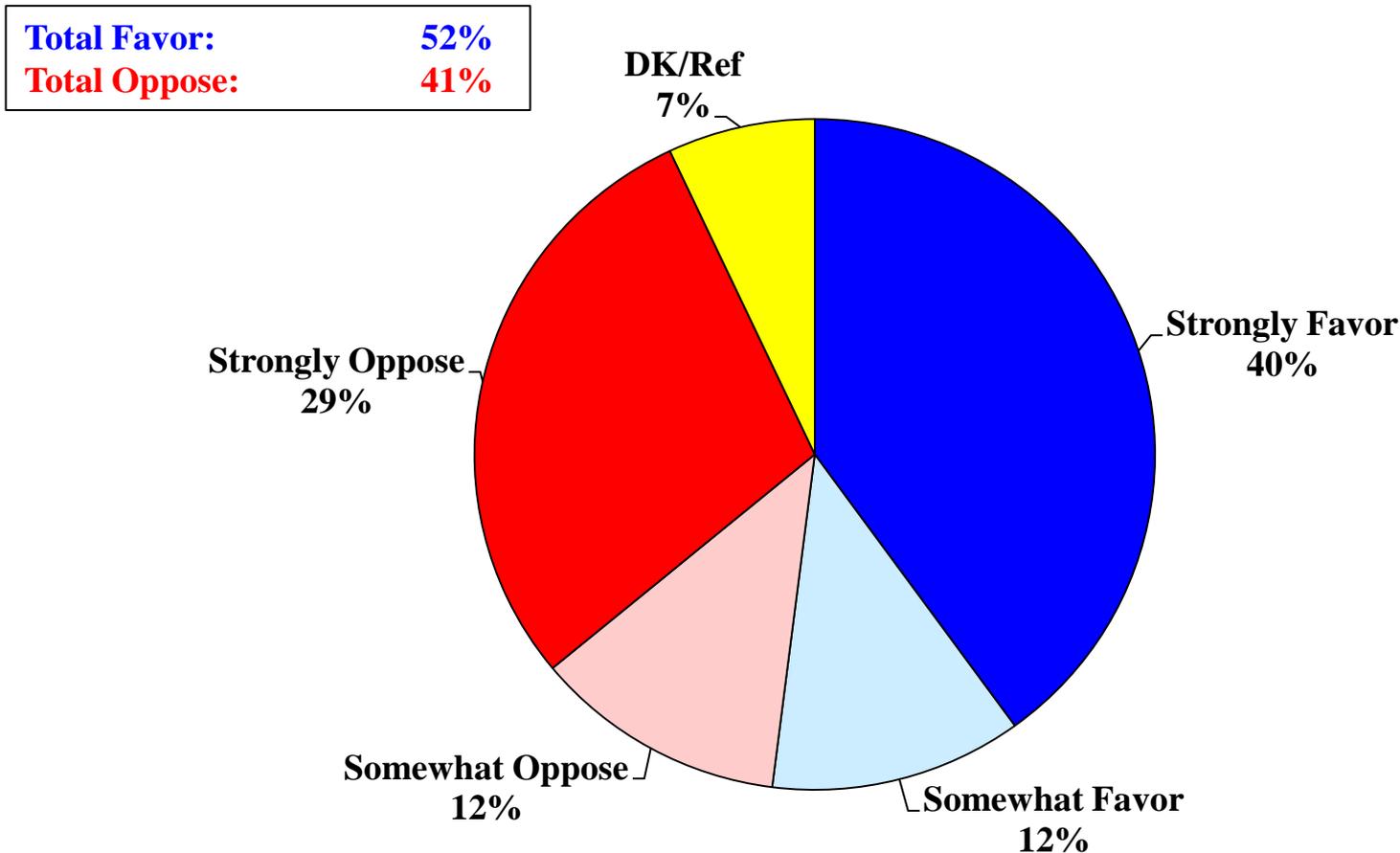
Few voters believe raising taxes is the most effective way to cut the deficit – cutting gov't spending is more powerful than economic growth.

“And, of the three ways to reduce the deficit, which do you think is the most effective way to cut the deficit – raising taxes, cutting government spending, or growing the economy?”



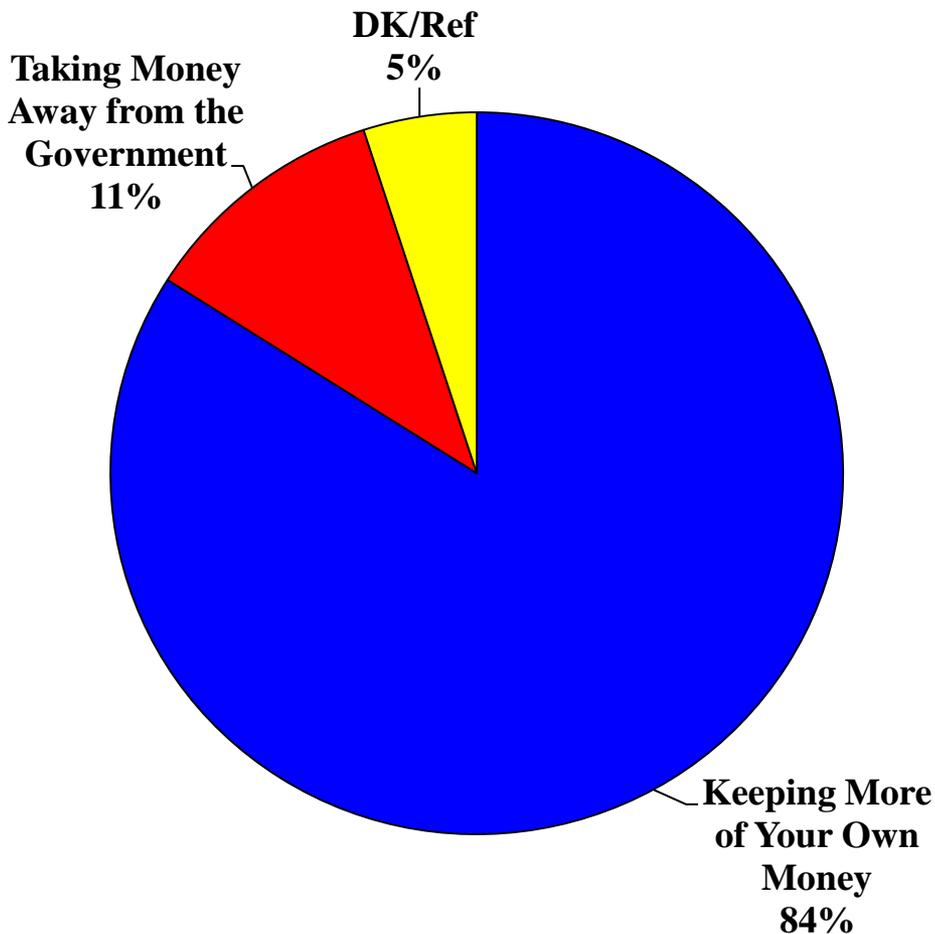
A majority favor repealing the new health care law to pay down the national debt.

“Continuing to think about reducing the deficit, would you favor or oppose repealing the new health care law passed by Congress earlier this year and supported by President Obama if the money saved by repealing the law were used to pay down the national debt?”



Voters overwhelmingly believe cutting taxes allows them to keep their own money.

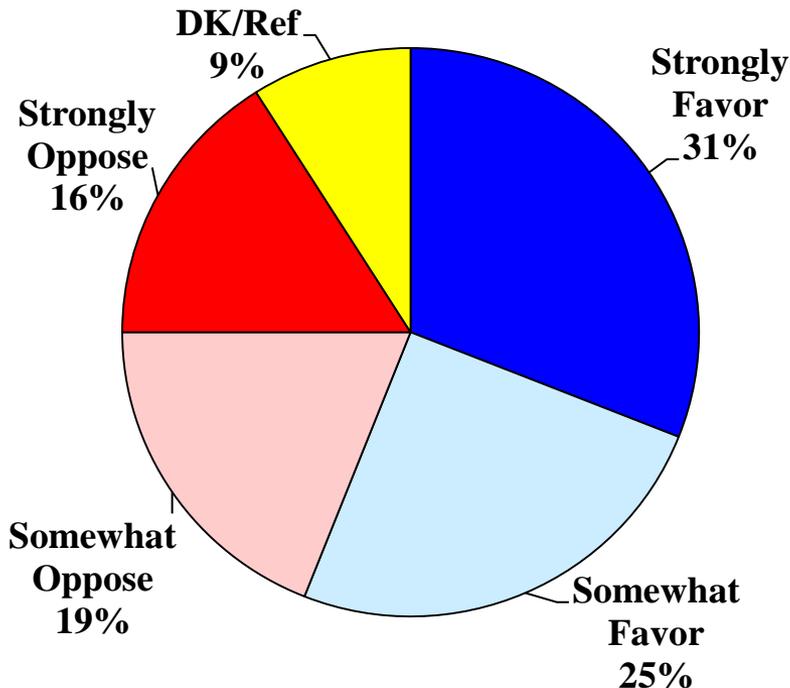
“If your taxes are cut, does this mean you are keeping more of your own money, or does it mean you are taking money away from the government?”



Voters favor a budget that extends the tax cuts and reduces spending to 2008 budget levels.

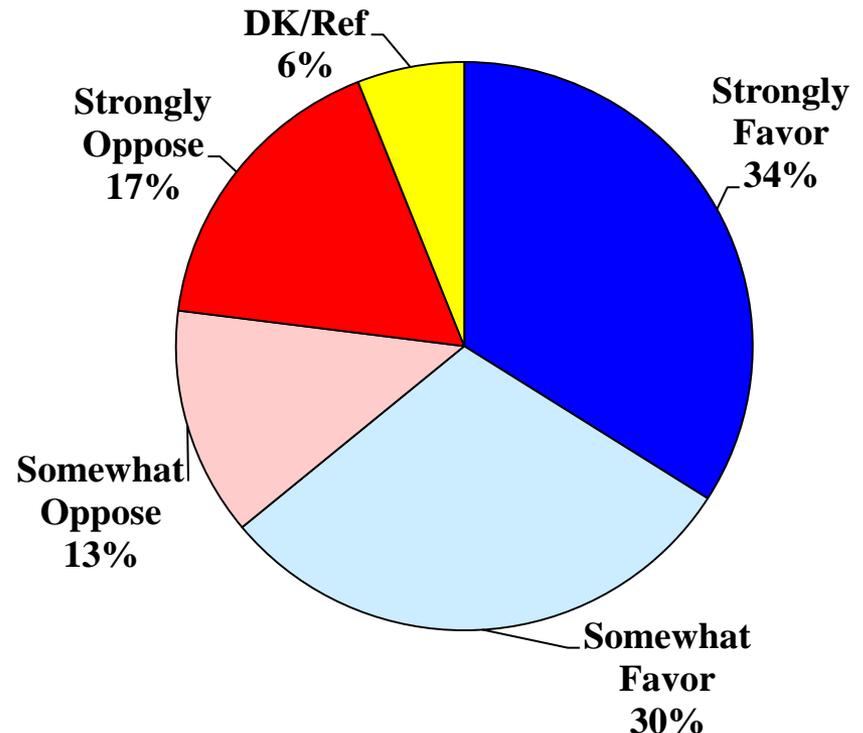
“Some have proposed a budget that extends all the tax cuts and cuts government spending levels to the 2008 budget, before all of the spending increases from the stimulus, bailouts, and Obama health care bill. Do you favor or oppose this proposal?” (Split Sample A, N=500)

Total Favor: 56%
Total Oppose: 34%*



“Some have proposed a budget that does not raise taxes and cuts government spending levels to the 2008 budget, before all of the spending increases from the stimulus, bailouts, and Obama health care bill. Do you favor or oppose this proposal?” (Split Sample B, N=500)

Total Favor: 64%
Total Oppose: 29%*

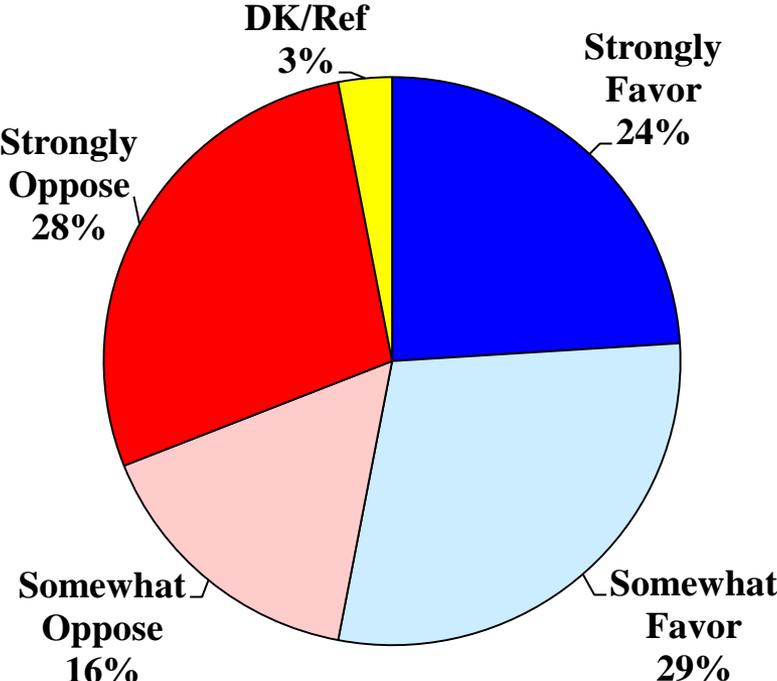


*Denotes Rounding

Allowing the tax cuts to expire/raising taxes on those earning \$250K+ after two years draws modest majority support.

“Some have proposed extending the tax cuts for people who earn more than \$250,000 a year for two years to give the economy time to improve, and then letting those tax cuts expire, but extending the tax cuts for those who make less than \$250,000 a year permanently. Do you favor or oppose this proposal?” (Split Sample A, N=500)

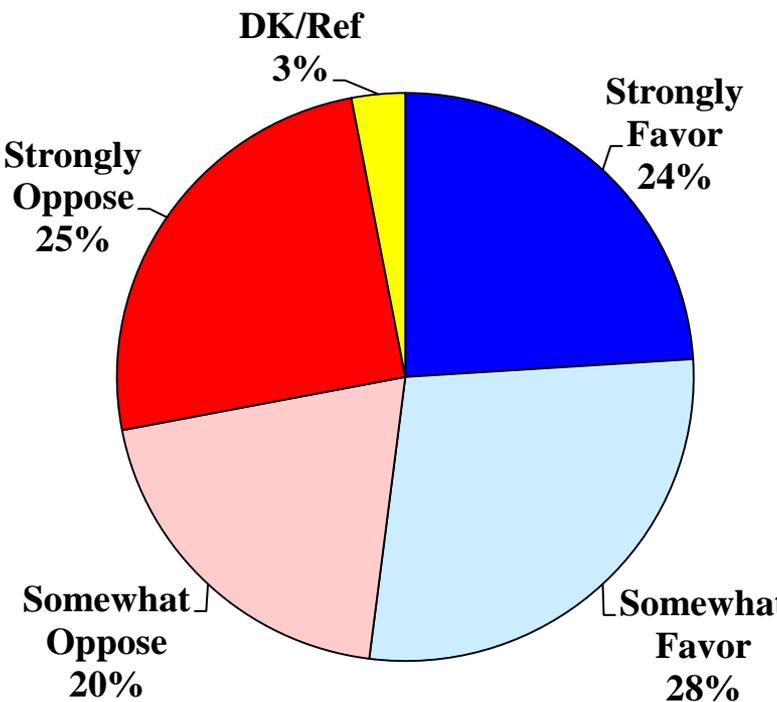
Total Favor: 53%
Total Oppose: 44%



**Denotes Rounding*

“Some have proposed not raising taxes on people who earn more than \$250,000 a year for two years to give the economy time to improve, and then raising taxes on them, but not raising taxes at all on those who make less than \$250,000 a year permanently. Do you favor or oppose this proposal?” (Split Sample B, N=500)

Total Favor: 52%
Total Oppose: 44%*





Message Testing

The message of “keep tax cuts except for the wealthy” falls flat versus the message of “no tax hikes on job creators.”

“Now I am going to read you a pair of statements. After I read each pair, please tell me which statement comes closest to your own opinion. The first/next pair is...”

Split Sample A, N=500

53%

Some people say we should extend the tax cuts for everyone. Raising taxes on anyone in a weak economy is a bad idea, and tax increases would hit small businesses especially hard. Raising taxes on the people who create jobs is exactly the wrong medicine for a struggling economy.

...while...

42%

Other people say we should extend the tax cuts for everyone except the wealthy. Cutting taxes permanently for the middle class and raising taxes for those earning over two hundred fifty thousand dollars is necessary to reduce the federal deficit and protect Social Security.

Split Sample B, N=500

57%

Some people say we should not raise taxes on anyone. Raising taxes on anyone in a weak economy is a bad idea, and tax increases would hit small businesses especially hard. Raising taxes on the people who create jobs is exactly the wrong medicine for a struggling economy.

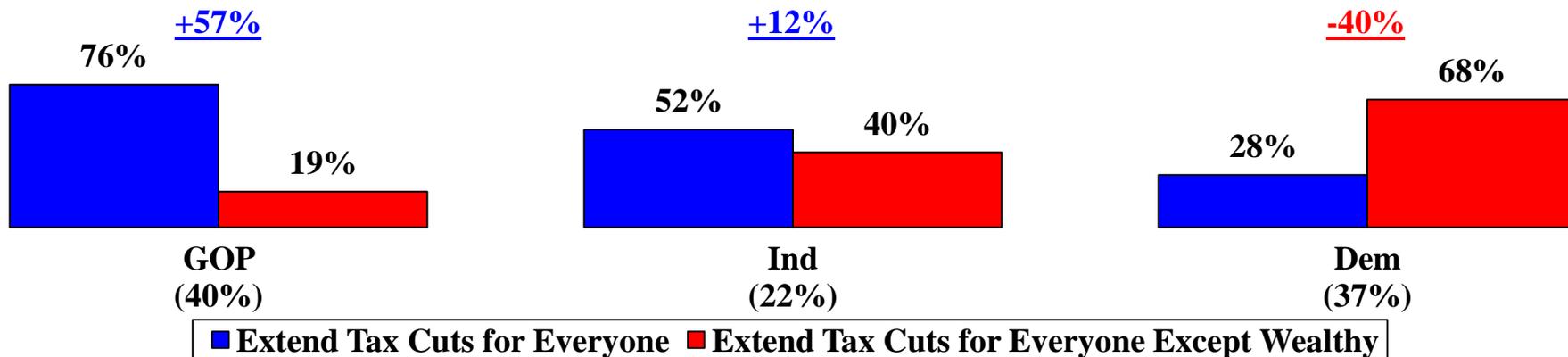
...while...

40%

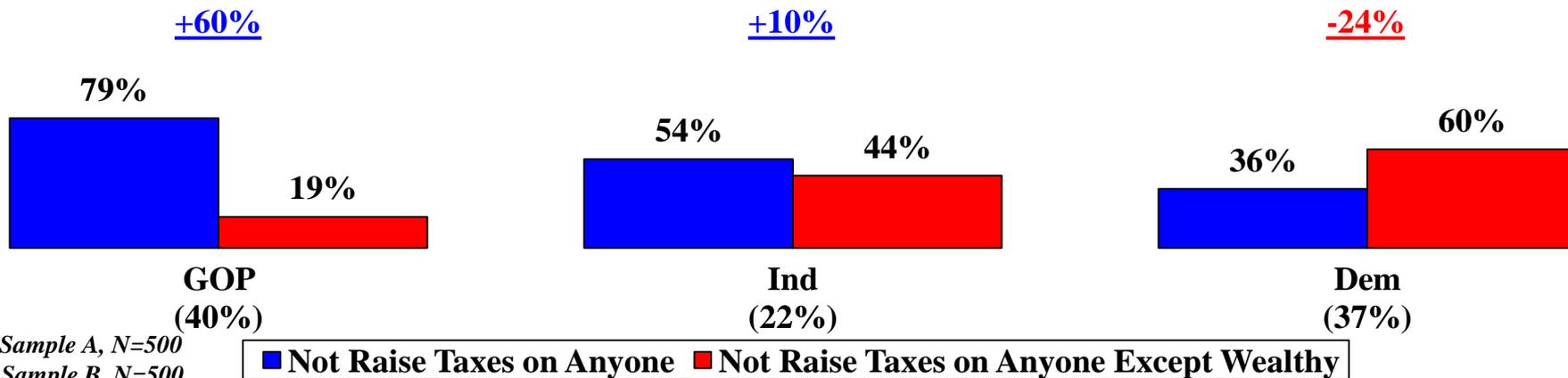
Other people say we should not raise taxes on anyone, except the wealthy. Cutting taxes permanently for the middle class and raising taxes for those earning over two hundred fifty thousand dollars is necessary to reduce the federal deficit and protect Social Security.

Don't "raise taxes on anyone" and "extend tax cuts for everyone" are both strong messages with Inds.

*Extend Tax Cuts for Everyone/Extend Tax Cuts for Everyone Except Wealthy**



Not Raise Taxes on Anyone/Not Raise Taxes on Anyone Except Wealthy^



*Split Sample A, N=500

^Split Sample B, N=500

Economic growth, not punishing small businesses, is overwhelmingly viewed as the best way to balance the budget instead of raising taxes on upper income people.

“Now I am going to read you a pair of statements. After I read each pair, please tell me which statement comes closest to your own opinion. The first/next pair is...”

77%

Some people say that the best way to balance the budget is to grow the economy and create new jobs. Raising taxes on small businesses and others who create jobs would make things worse. They say we should focus on rebuilding our economy and forcing government to live within its means.

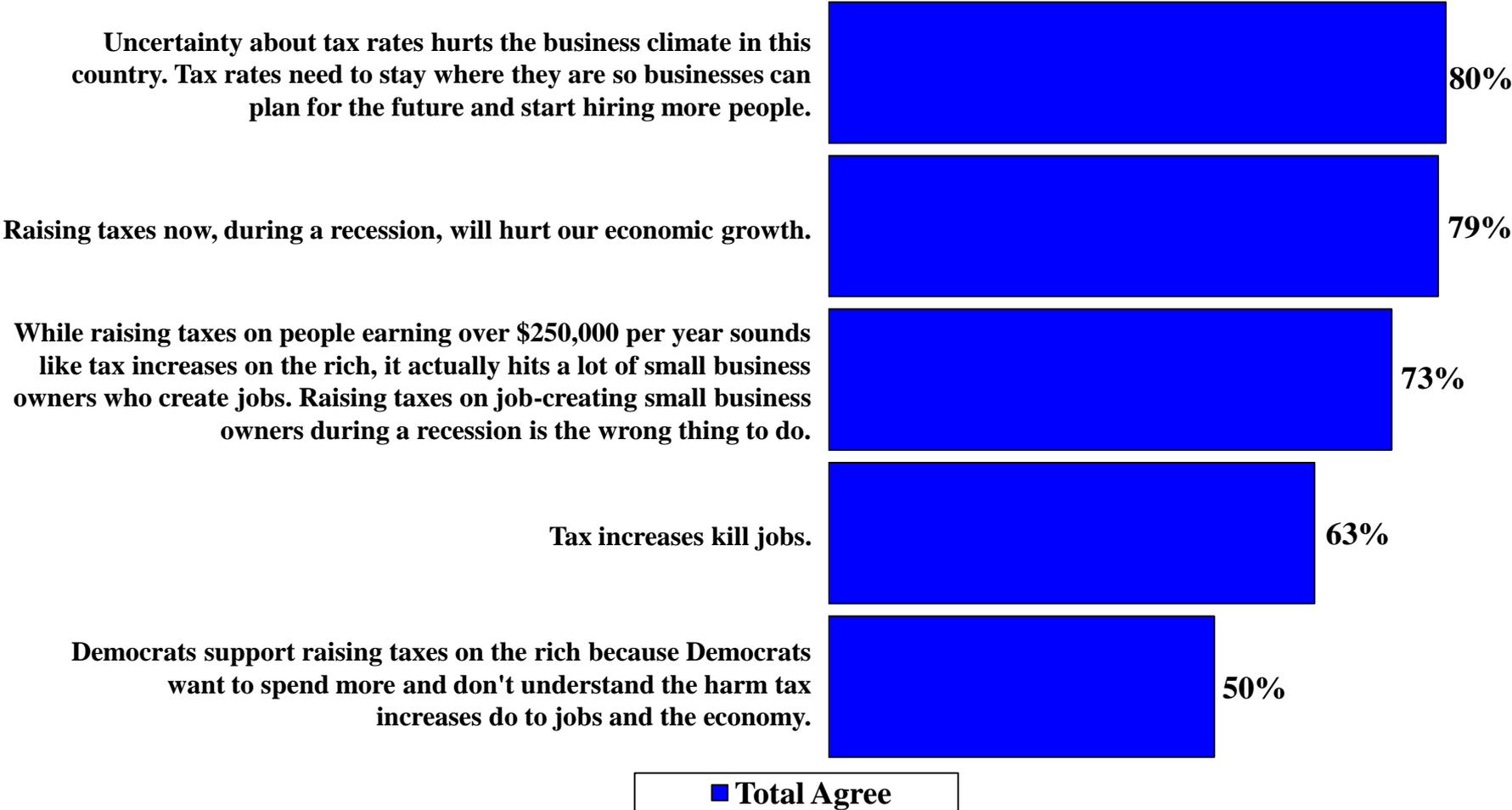
...while...

18%

Other people say that extending the tax cuts for people earning more than \$250,000 will cost the government \$700 billion over the next ten years. They say that this lost revenue will explode our federal deficit and that the government cannot afford it.

Business climate uncertainty and hurting economic growth are the strongest messages against higher taxes.

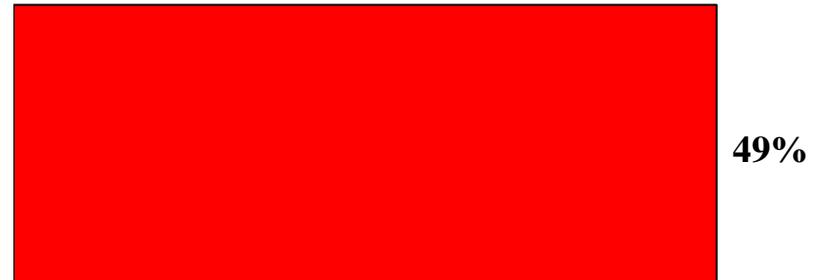
“Now, I would like to read you various statements about tax cuts and raising taxes. After I read each statement, please tell me if you AGREE or DISAGREE with that statement.” (Ranked by % Total Agree)



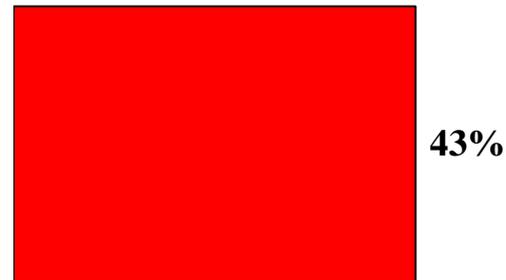
The messages against extending the tax cuts don't resonate very strongly.

“Now, I would like to read you various statements about tax cuts and raising taxes. After I read each statement, please tell me if you AGREE or DISAGREE with that statement.” (Ranked by % Total Agree)

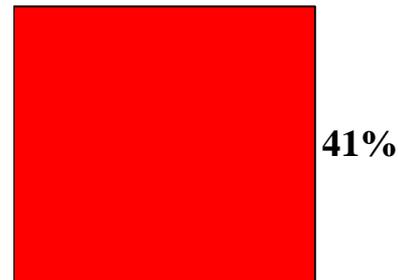
**Republicans oppose raising taxes on the rich because
Republicans care more about corporations and the
wealthy than they do about the middle class.**



**The best way to cut the deficit and ensure important
programs are fully funded is to raise taxes on the rich.**



Tax cuts increase the deficit.

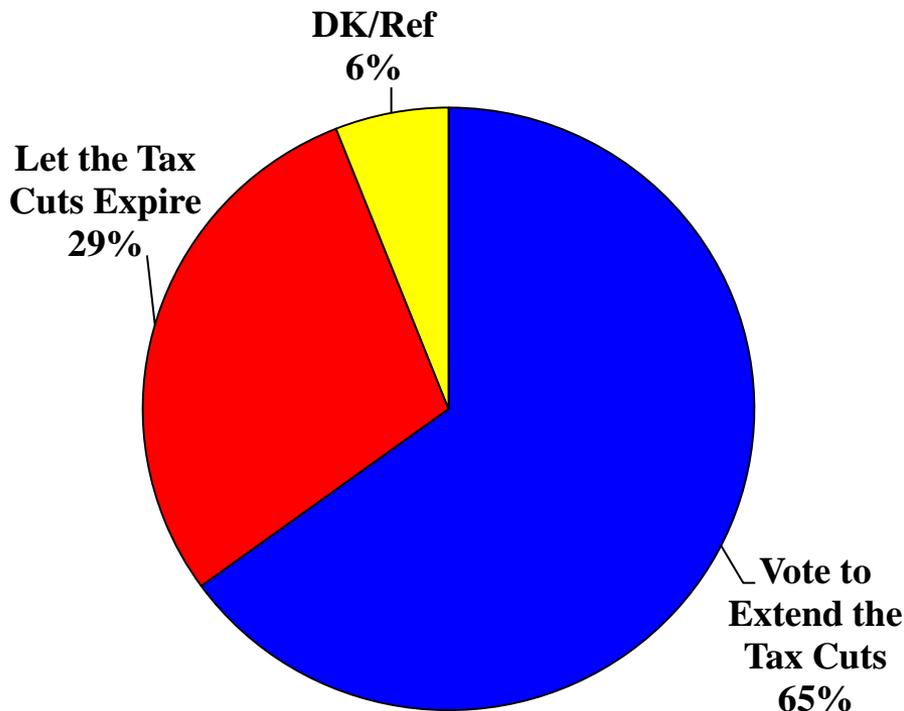


■ Total Agree

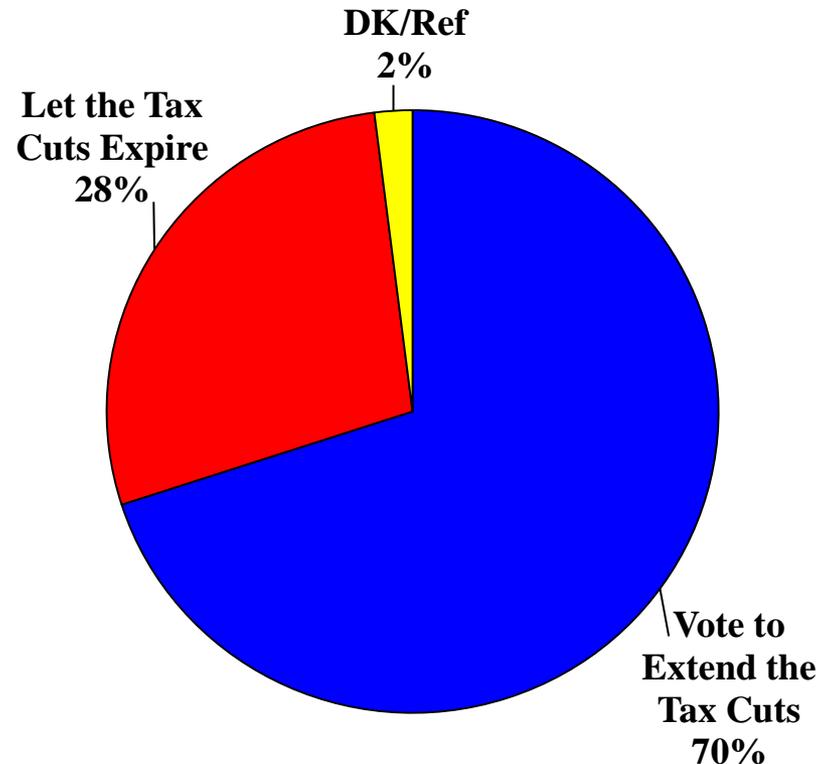
After testing pro and con messages, the “extend tax cuts” language remains strong.

*“Now that you have heard even more information, if you were in Congress and you had a choice between voting to extend the tax cuts or letting the tax cuts expire, would you vote to extend the tax cuts or let the tax cuts expire?”**

Initial



Informed

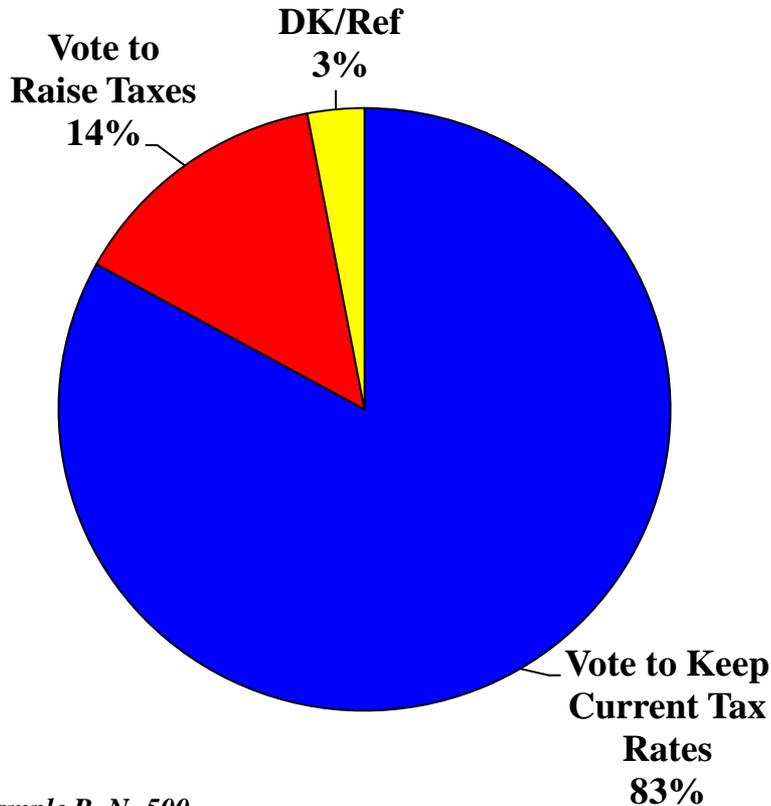


*Split Sample A, N=500

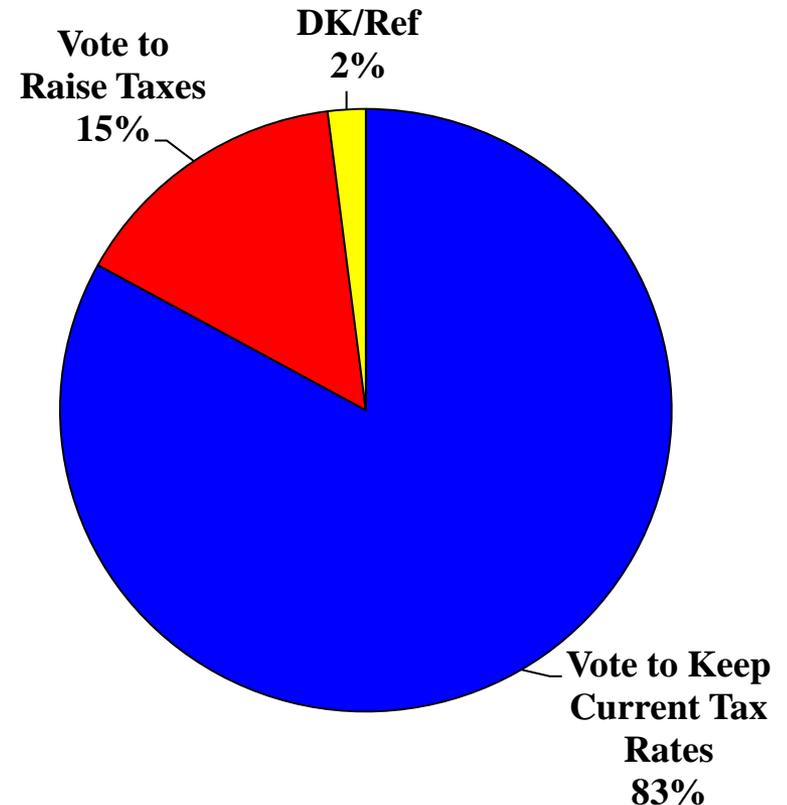
Voting to raise taxes is not a politically viable option.

*“Now that you have heard even more information, If you were in Congress and you had a choice between voting to keep current tax rates or raise taxes on January 1, would you vote to keep current tax rates or to raise taxes?”**

Initial



Informed

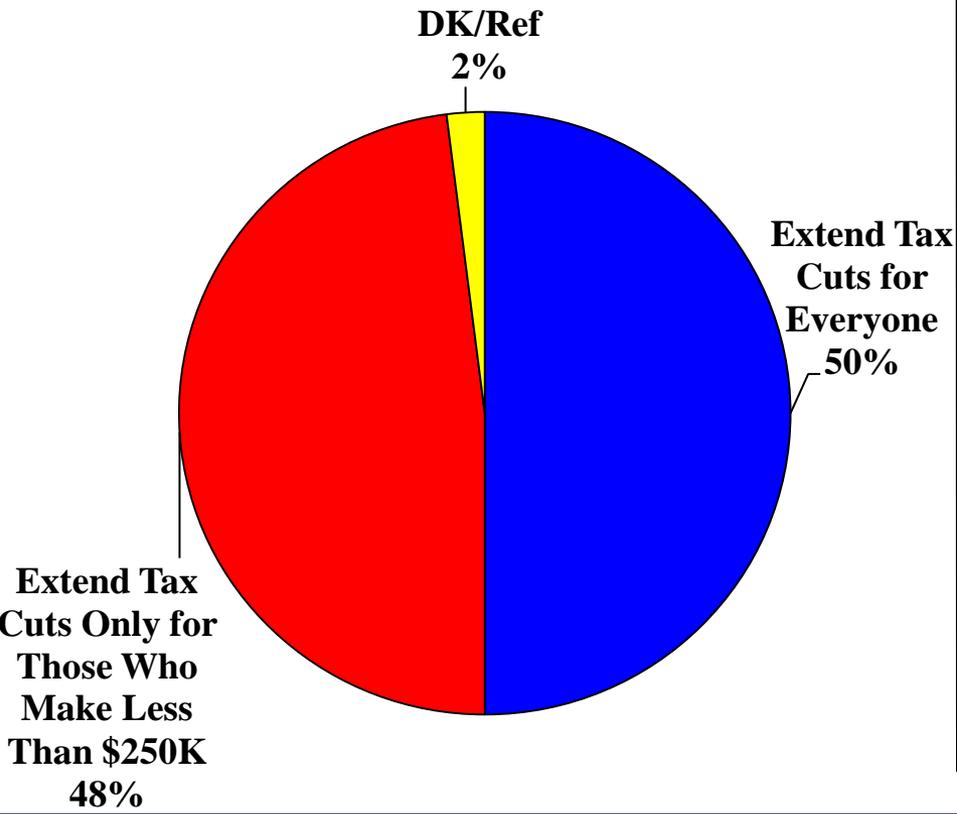


*Split Sample B, N=500

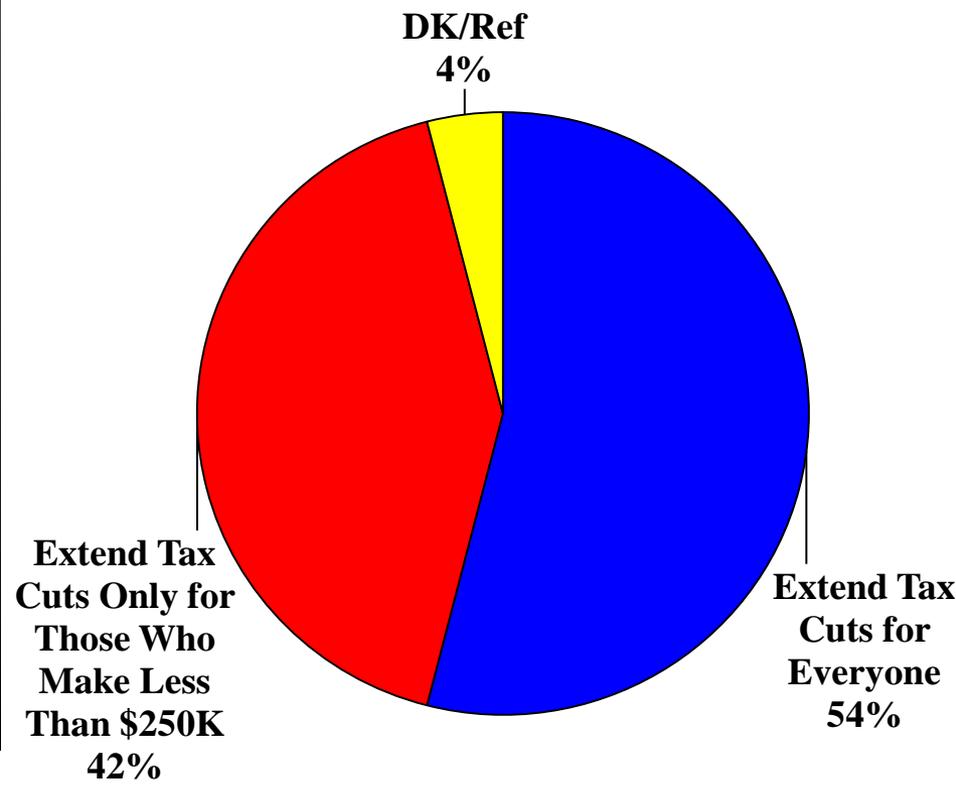
Support for extending the tax cuts for everyone scores a bit higher after voters hear pro and con messages.

“And, now that you have heard even more information, which do you think Congress should do – extend the tax cuts from 2001 only for people who make less than \$250,000 per year, or extend the tax cuts from 2001 for everyone?”

Initial



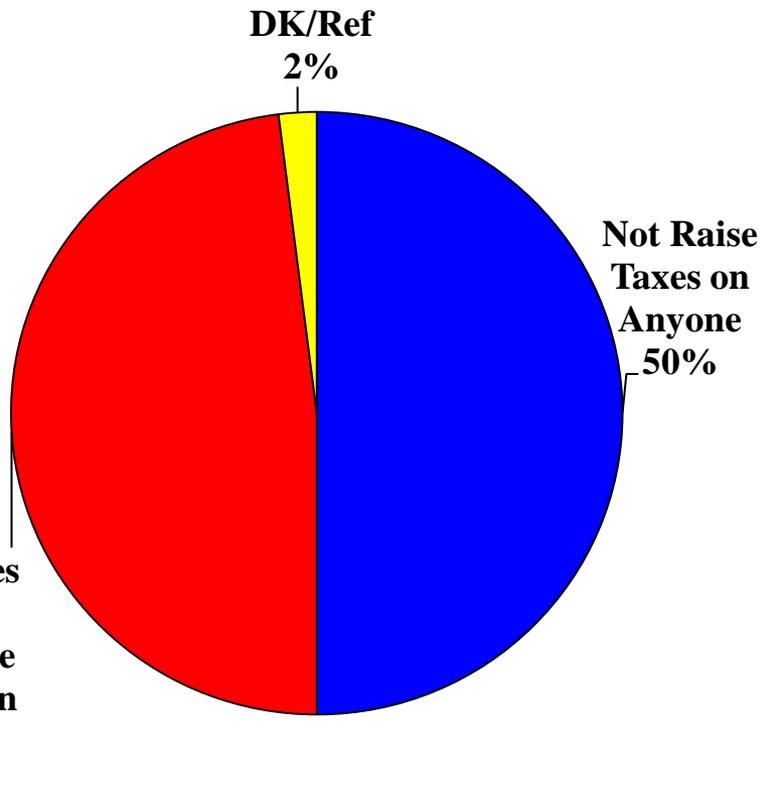
Informed



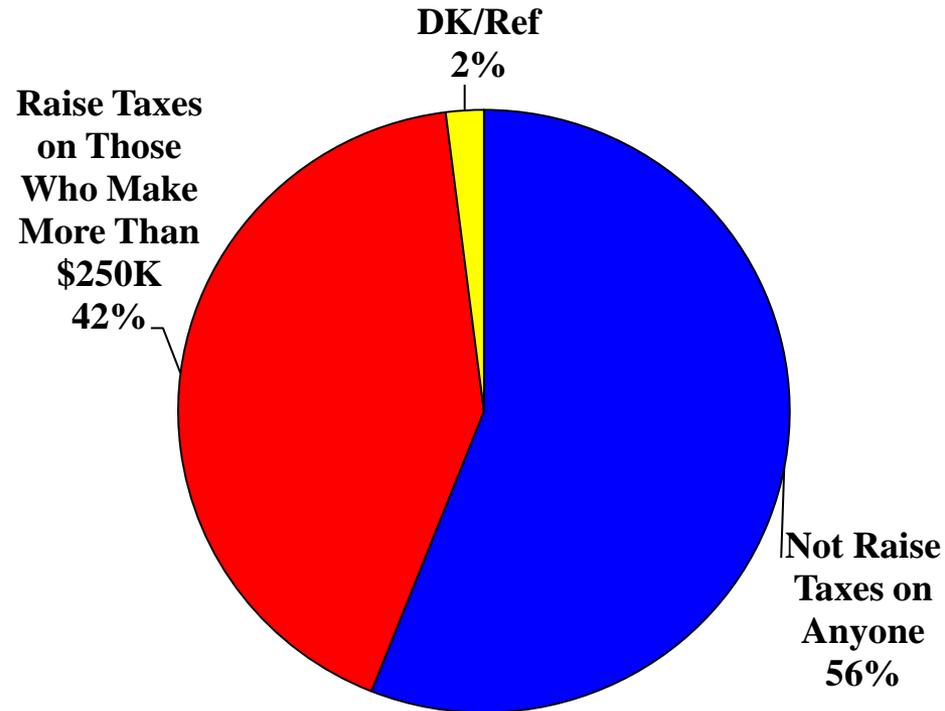
Support not raising taxes on \$250K+ earners drops after voters hear pro and con messages.

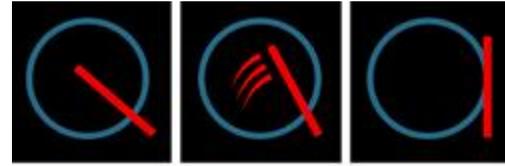
“And, now that you have heard even more information, which do you think Congress should do – raise the taxes only for people who make more than \$250,000 per year, not raise taxes on anyone?”

Initial



Informed





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STRATEGIES**

**For more information about this presentation or about
Public Opinion Strategies, please give us a call.**

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