

AMERICAN ACTION
NETWORK



MIDDLE CLASS GROWTH
INITIATIVE



GS STRATEGY GROUP

PRESENTED BY:

Greg Strimple, President

PROJECT MANAGER:

Brad Wing, Principal

PROJECT DETAILS

Conducted August 1-3, 2017

N = 1,000 Likely Voter, Nationwide

Margin of Error: +/- 3.10%

About the Research:

This survey was conducted August 1-3, 2017, by GS Strategy Group on behalf of American Action Network's Middle-class Growth Initiative. The survey consists of interviews of 1,000 likely voters nationwide and has a margin of error of +/-3.1% at a 95% confidence interval. Quotas were set by geography, race, gender and age to reflect historic trends. Thirty percent of the interviews were conducted by cell phone. The self-identified party registration/affiliation of the respondents was 37.8% Democrat, 31.7% Republican, and 23.0% Independent.

Key Findings:

Personal Income Tax Reform

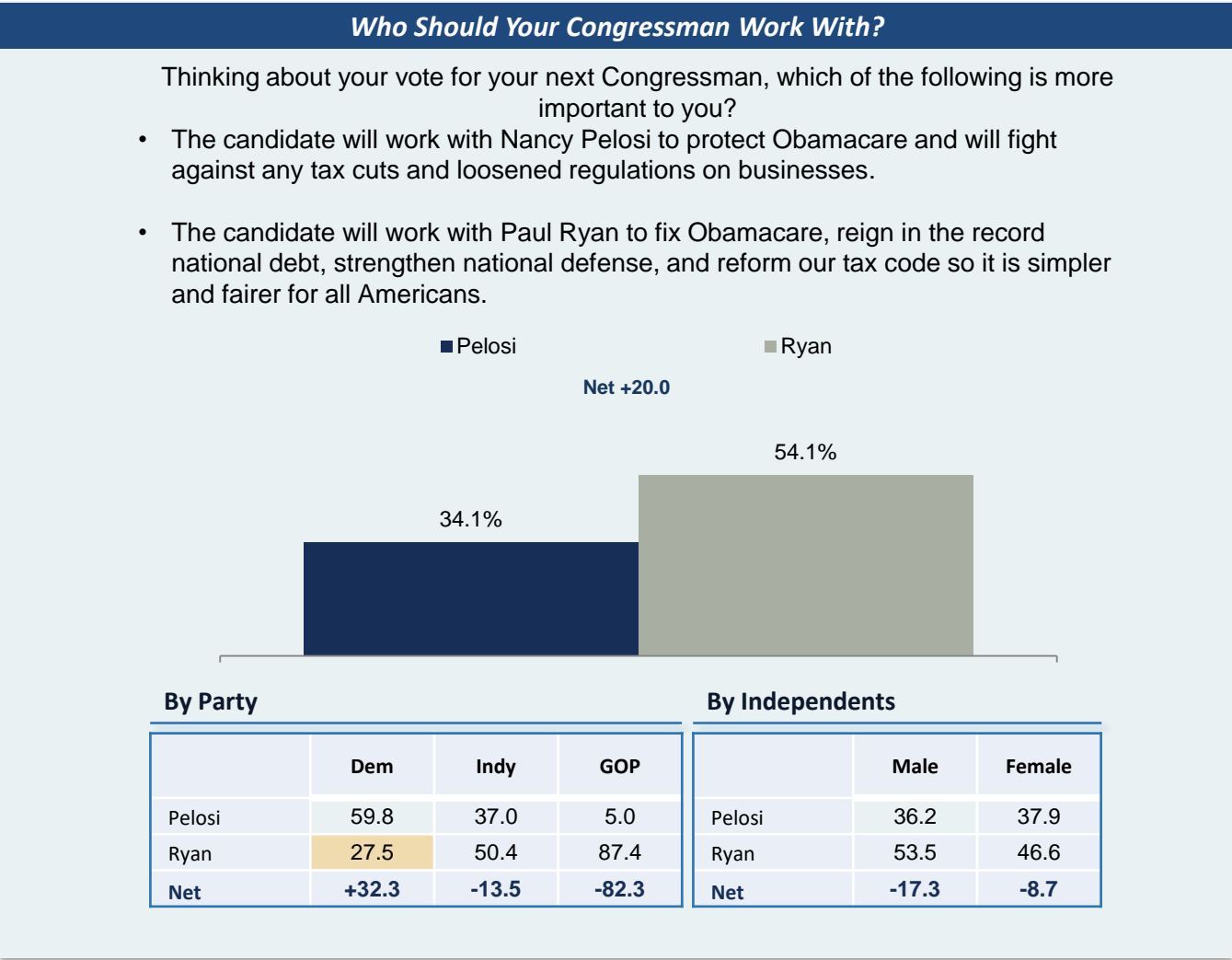
- Americans clearly prefer Speaker Ryan's agenda over Nancy Pelosi's. Notably, there's a fracture in the Democratic Party on priorities, as more than 1 in 4 Democrats prefer the Ryan agenda to Pelosi's. Strong majorities of Americans want Democrats to work with Republicans, and President Trump, to get things done for America.
- A majority of Americans believe taxes are too high and over 57% believe the personal income tax code needs to be overhauled or changed in a major way. 46% of Democrats think taxes are too high and support an overhaul or major change – making it difficult for the Democrats in Congress to oppose personal income tax reform.
- Americans believe the personal income tax system is too complex and want it simplified. As a result, they prefer a simpler, flatter, fairer personal income tax system over a progressive system that raises taxes on the rich. Overwhelmingly, Americans believe a simplified system will help them and their family.

- After hearing key elements of the Republican personal income tax reform plan, Americans believe the plan will benefit families like their own and reject the Democratic message that it will only benefit the rich. Even Democrats reject their own party's messaging upon hearing the facts.
- The top messages on personal tax reform are:
 - It will restore middle class earning power.
 - It will overhaul the IRS, making it more customer friendly.

Business Tax Reform

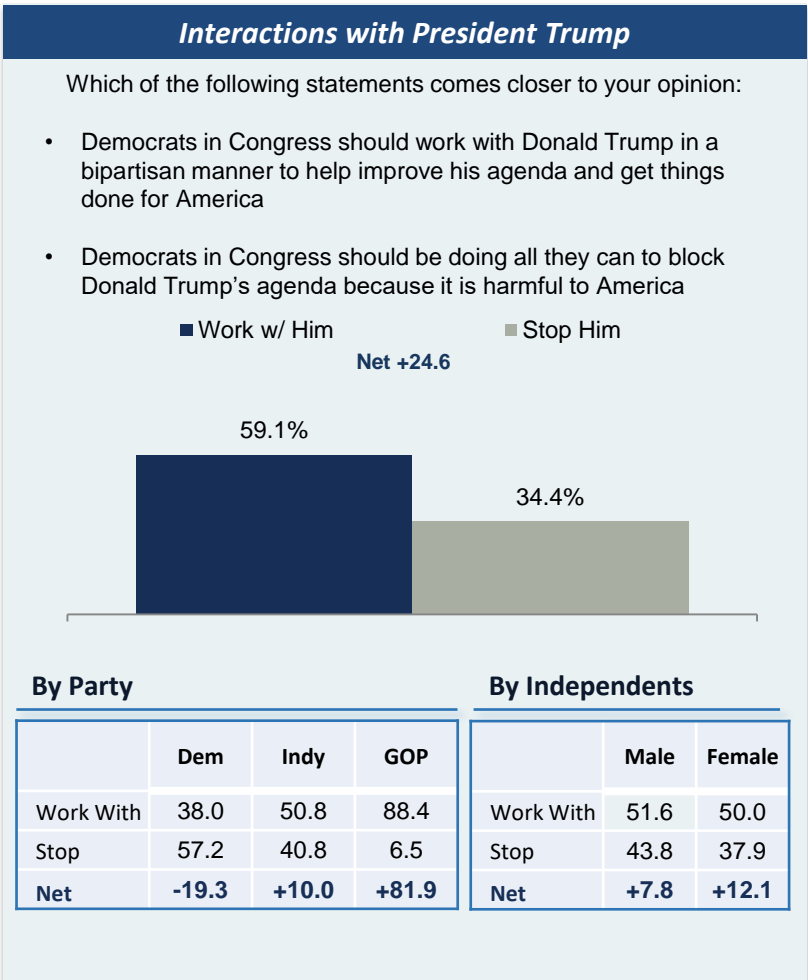
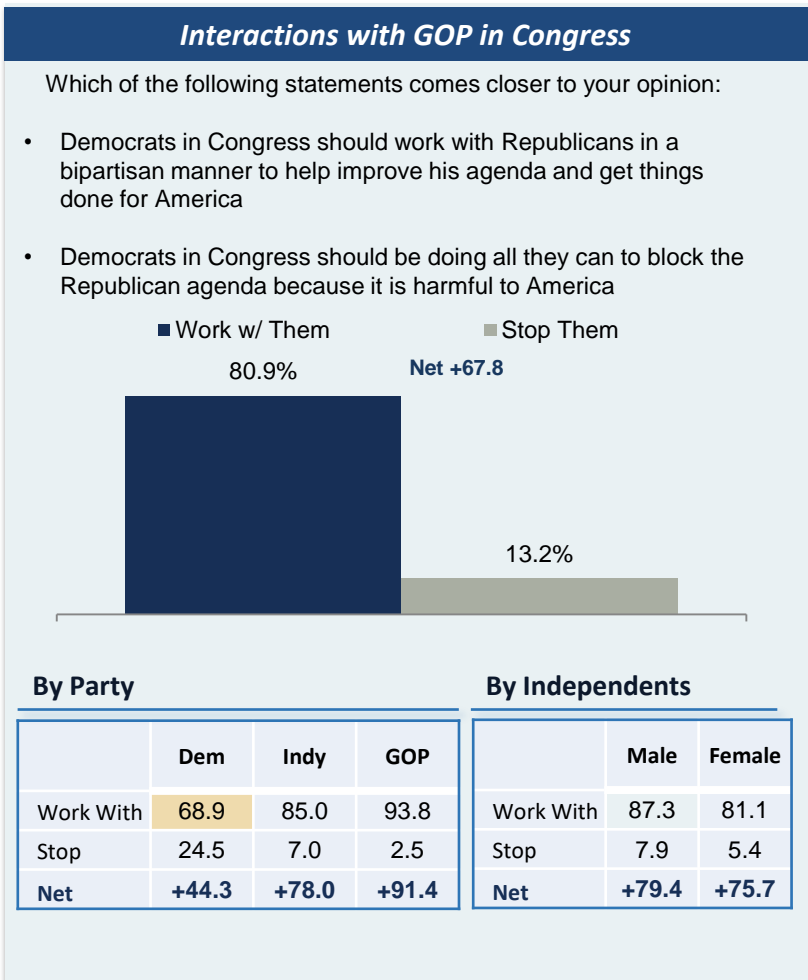
- Americans understand the relevance of business tax reform, with 77% saying it's relevant to them because of the impact it has on jobs and economic growth or the impact it has on their own pocketbook.
- Americans want business tax reform to eliminate loopholes and spur job creation. They also understand business tax reform will level the playing field for American companies competing against China.
- The top reasons to favor business tax reform are:
 - It will eliminate loopholes and special interest tax breaks.
 - It will cap taxes on small businesses at 25%.
 - It will simplify the tax code.
 - It will strengthen the American economy.

Americans clearly prefer Speaker Ryan's agenda over Nancy Pelosi's. Notably, there's a fracture in the Democratic Party on priorities, as more than 1 in 4 Democrats prefer the Ryan agenda to Pelosi's.



Framing the Debate

Americans want Democrats to work with Republicans in Congress, and President Trump, to get things done for America. Nearly 70% of Democrats want their members of Congress to work with Republicans to get things done for America.

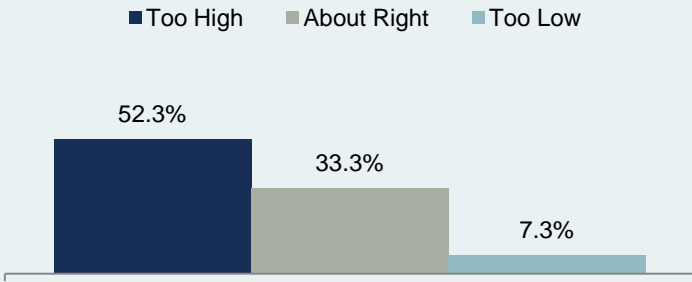


Current Personal Tax System

A majority of Americans believe taxes are too high and over 57% believe the personal income tax code needs to be overhauled or changed in a major way. 46% of Democrats think taxes are too high and support an overhaul or major change – making it difficult for the Democrats in Congress to oppose personal income tax reform.

Personal Taxes in America

Overall, would you say personal income taxes in the U.S. are too high, too low, or just about right?



By Party

	Dem	Indy	GOP
Too High	46.0	49.6	62.1
About Rt.	11.4	8.7	1.6
Too Low	35.2	33.0	30.9

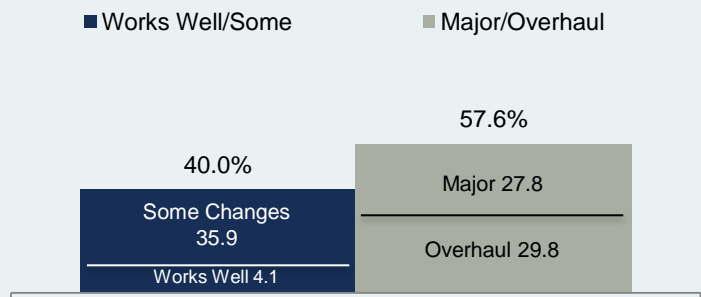
By Independents

	Male	Female
Too High	51.2	47.6
About Rt.	11.0	5.8
Too Low	31.5	35.0

Personal Income Tax Reform

Thinking about the country's personal income tax system, would you say:

- The current tax system works pretty well as it is now
- Some changes are needed, but it should stay basically the same
- Major changes are needed
- A complete overhaul of the current system is needed



By Party

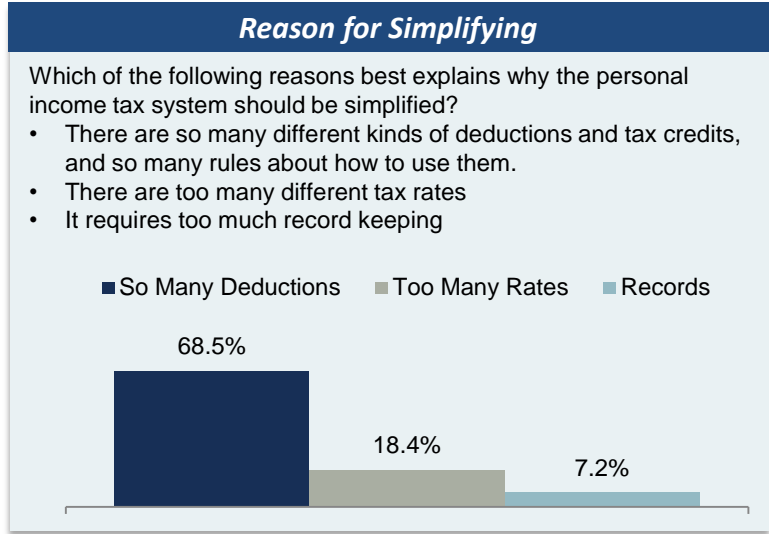
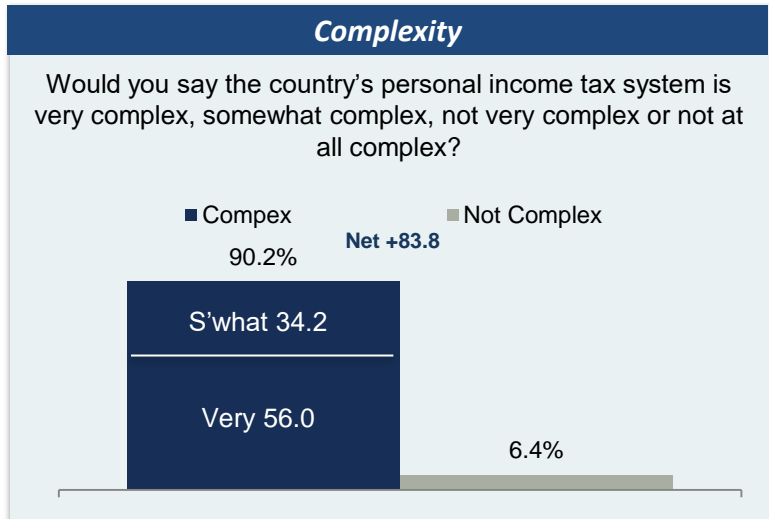
	Dem	Indy	GOP
Well/Some	52.1	32.2	30.6
Major/Ov.	45.5	65.7	66.9
Net	-6.6	+33.5	+36.3

By Independents

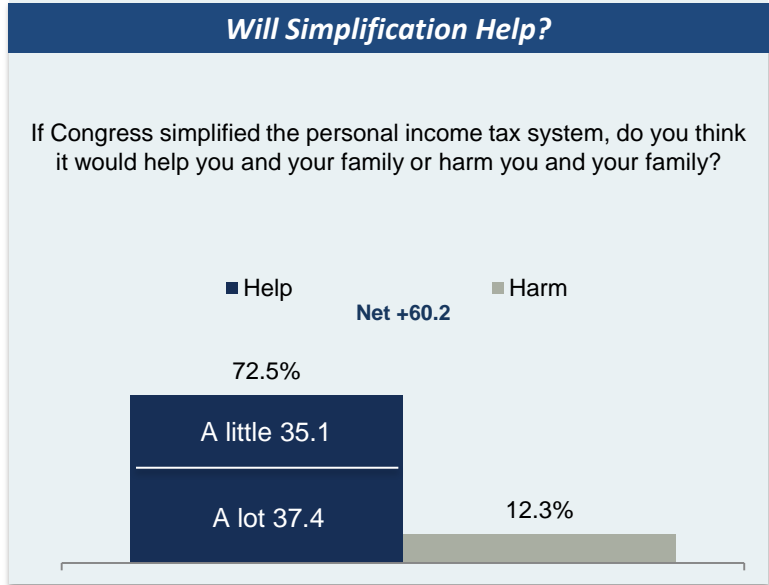
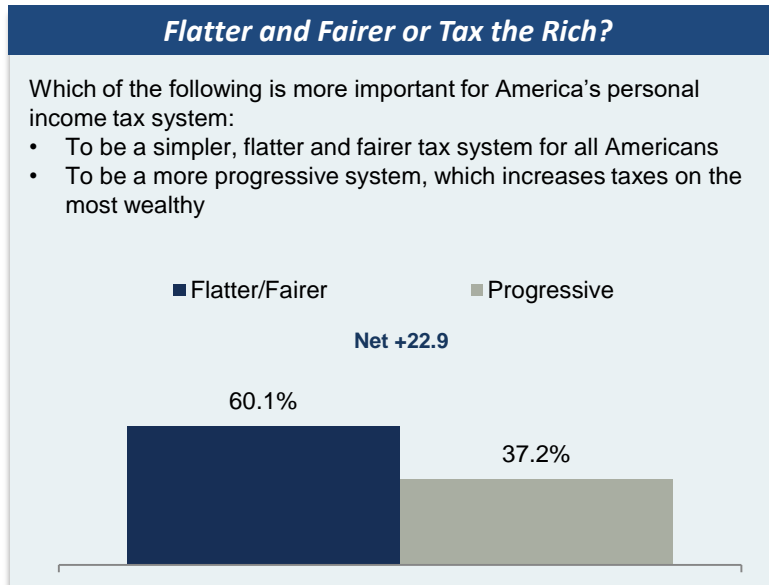
	Male	Female
Well/Some	29.9	35.0
Major/Ov.	68.5	62.1
Net	+38.6	+27.1

The Personal Income Tax System

Americans believe the personal income tax system is too complex and want it simplified.



As a result, they prefer a simpler, flatter, fairer personal income tax system over a progressive system that raises taxes on the rich. Overwhelmingly, Americans believe a simplified system will help them and their family.

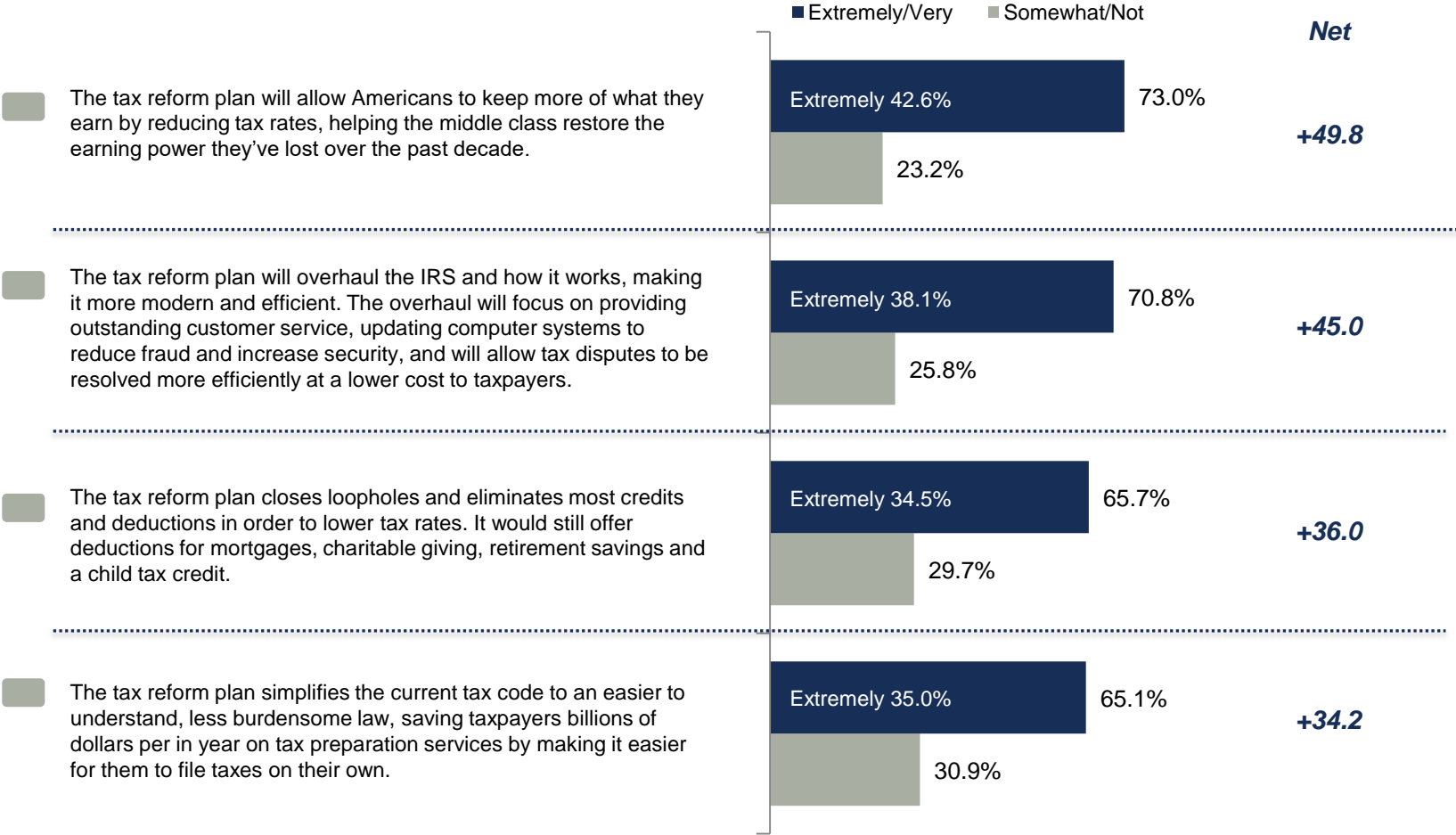


Top Reasons to Support Personal Income Tax Reform

The top messages on personal tax reform are:

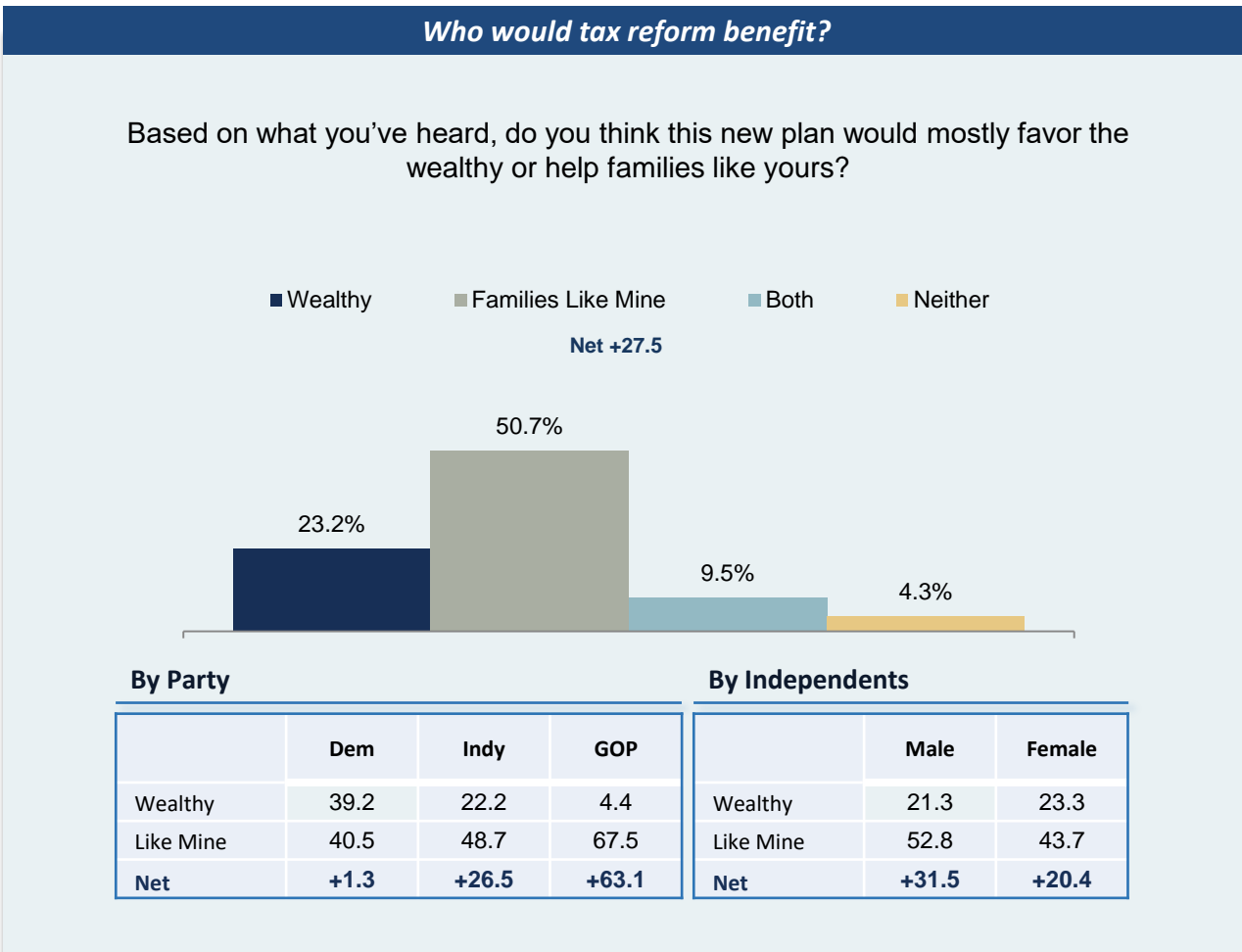
- It will restore middle class earning power.
- It will overhaul the IRS, making it more customer friendly.

The following are several provisions and outcomes of a proposed personal income tax reform plan. After hearing each, please tell me how important the provision or outcome is to you personally – extremely important, very important, somewhat important or not at all important.



Personal Income Tax Reform

After hearing key elements of the Republican personal income tax reform plan, Americans believe the plan will benefit families like their own and reject the Democratic message that it will only benefit the rich. Even Democrats reject their own party's messaging upon hearing the facts.



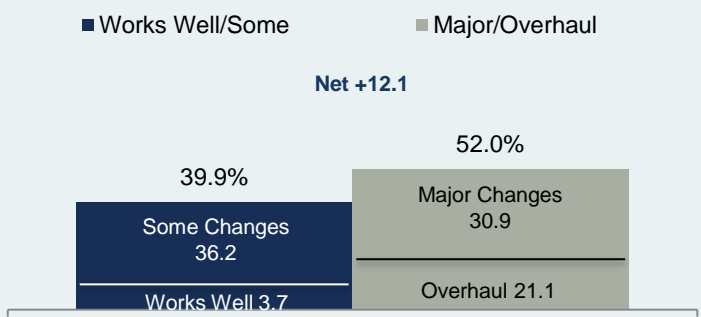
Current Business Tax System

A majority of Americans believe the business tax system needs to be overhauled or undergo major changes. Americans understand the relevance of business tax reform, with 77% saying it's relevant to them because of the impact it has on jobs and economic growth or the impact it has on their own pocketbook.

Business Tax Reform

Thinking about the country's business tax system, would you say:

- The current tax system works pretty well as it is now
- Some changes are needed, but it should stay basically the same
- Major changes are needed; or,
- A complete overhaul of the current system is needed



By Party

	Dem	Indy	GOP
Works/Some	47.1	40.4	31.9
Major/Overhaul	43.4	52.2	62.1
Net	-3.7	+11.7	+30.3

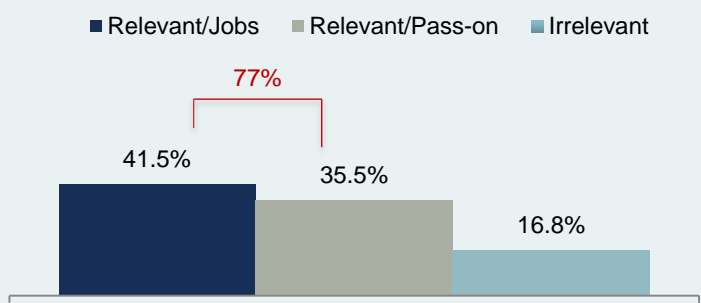
By Independents

	Male	Female
Works/Some	40.9	39.8
Major/Overhaul	54.3	49.5
Net	+13.4	+9.7

Is Business Tax Reform Relevant to Americans?

When it comes to business tax reform, please tell me which of the following comes closest to your opinion?

- They business tax system is **relevant** to me because **it impacts America's economic health** and jobs
- The business tax system is **relevant** to me because companies pass the **costs of paying taxes** on to consumers
- The business tax system is **irrelevant** to me because companies pay their taxes as part of doing business



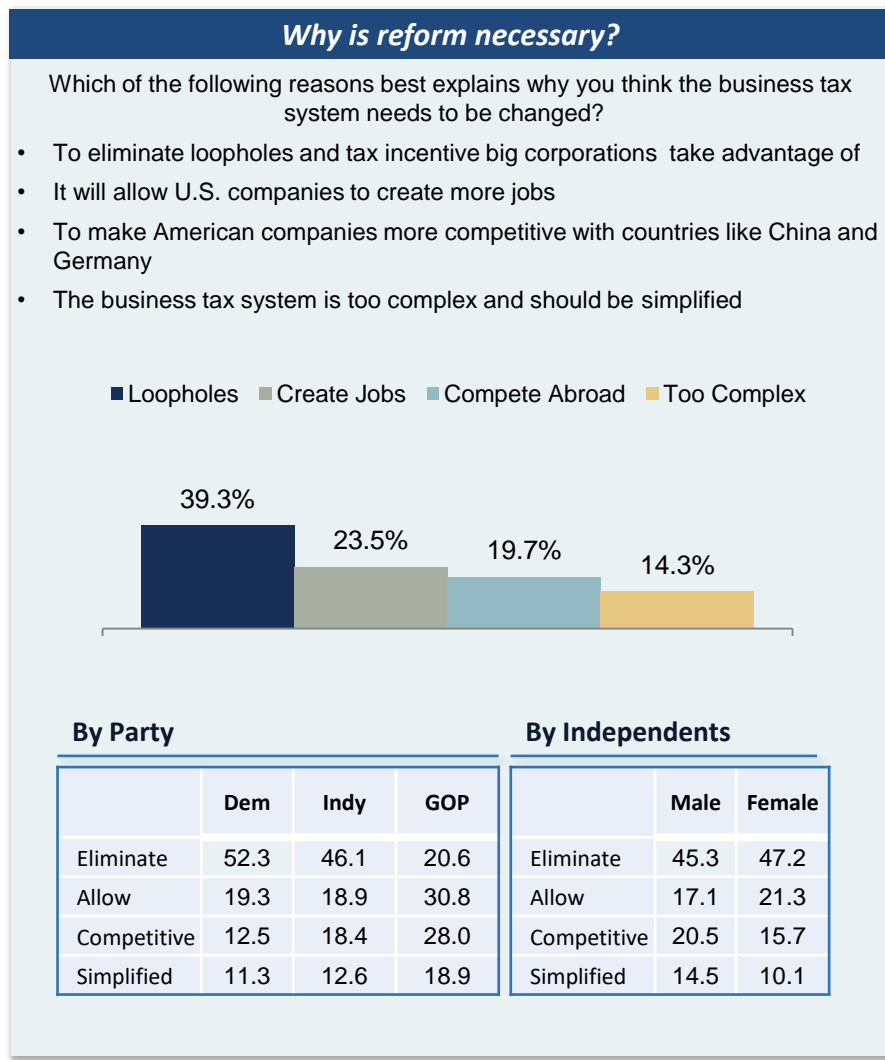
By Party

	Dem	Indy	GOP
Relevant/Economy	38.9	43.0	43.8
Relevant/Pass-on	33.9	37.0	37.2
Irrelevant	21.4	15.7	12.0

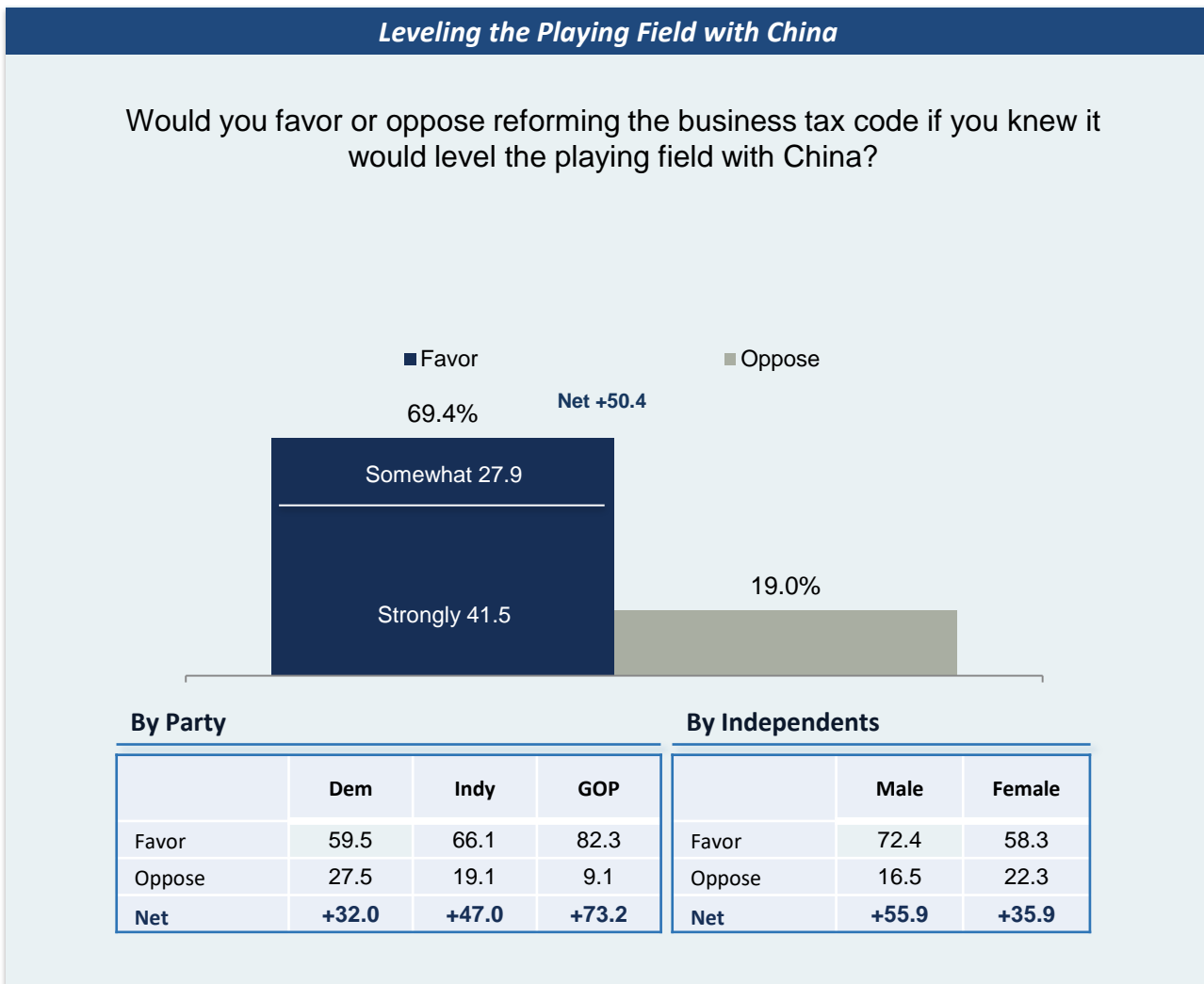
By Independents

	Male	Female
Relevant/Economy	40.2	46.6
Relevant/Pass-on	41.7	31.1
Irrelevant	13.4	18.4

Americans want business tax reform to eliminate loopholes and spur job creation.



Americans understand business tax reform will level the playing field for American companies competing against China.

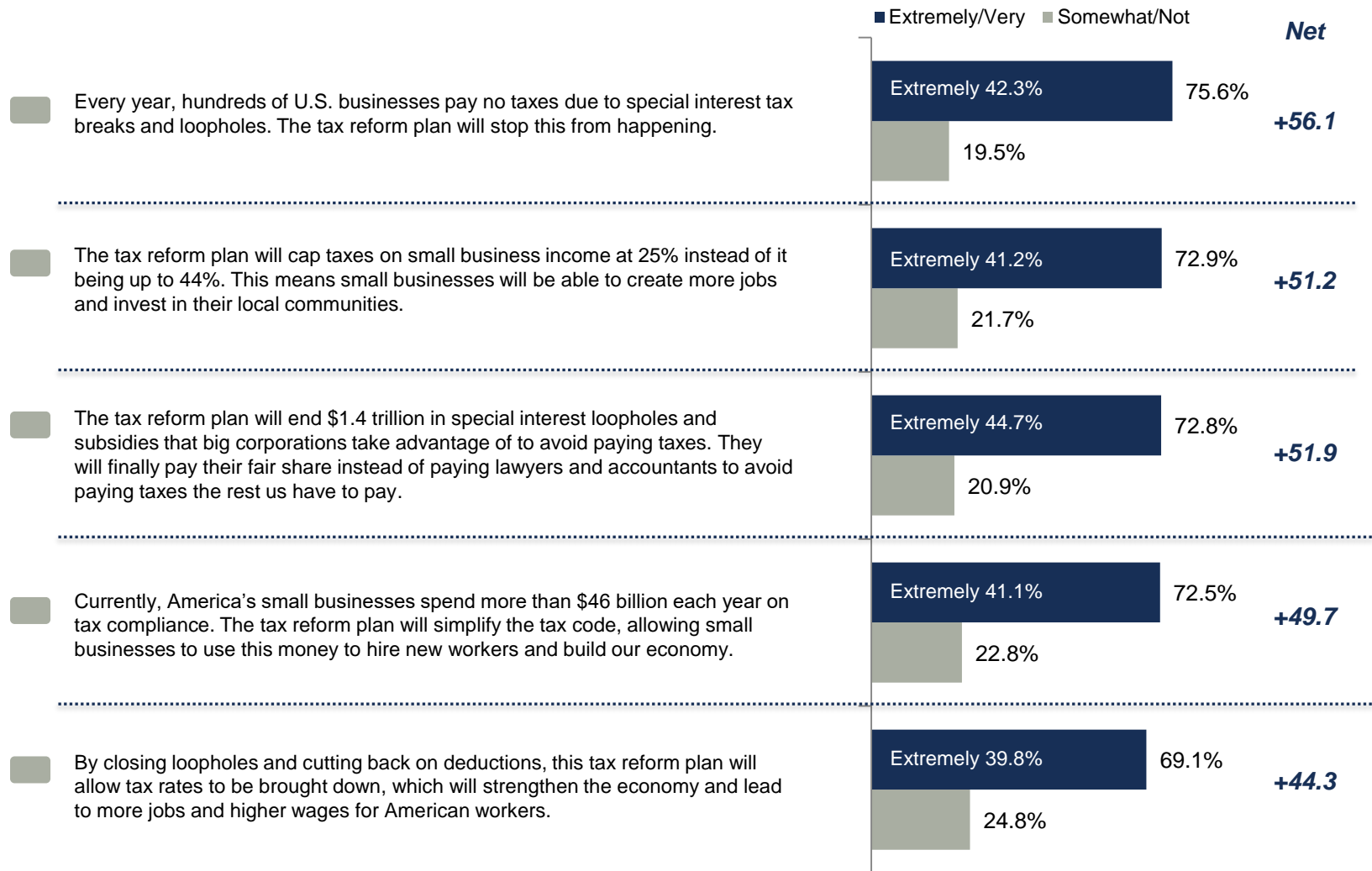


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