

TO: Interested Parties
FROM: Global Strategy Group
RE: Ohio Tax Policy Survey Results
DATE: March 23, 2015

Governor Kasich's Tax Shift Plan Lacks Voter Support

Opposition to the Plan Strengthens As Voters Learn Specifics

Governor Kasich's recently proposed tax shift is only supported by a quarter of Ohio voters, with support dropping and opposition increasing significantly once plan specifics are divulged. **Opposition is broadest and most intense when voters learn how different the bottom three-fifths and wealthiest one percent would be treated by the plan.** Resistance to the plan is also fueled, in part, by voters' fundamental opposition to both tax shifts and cutting state income taxes for the wealthiest Ohioans. Key findings from Global Strategy Group's recent poll of 504 registered Ohio voters are as follows:

A plurality of voters oppose the tax shift plan initially. When only provided with a brief overview of Governor Kasich's plan – increasing the state sales tax while cutting the state income tax – a plurality of Ohioans (44%) reject the plan, while only one-quarter of Ohioans (26%) support it. An additional three-in-ten (31%) say they do not know enough to answer initially.

Resistance to the tax shift increases dramatically once plan specifics and implications are detailed. Opposition soars (jumping 28 points to 72% oppose) when voters learn that under the tax shift plan the bottom three-fifths of taxpayers as a group would actually see an increase in their state and local taxes while the wealthiest one percent of Ohio's households would receive the largest tax cut. Only one-fifth of voters remain supportive of the plan (18%) after the lopsided impact of the shift is revealed.

- A majority of Democrats (80%), Independents (64%) and Republicans (65%) oppose the plan after hearing this information.
- Opposition exists across political ideologies, with liberals (82%), moderates (75%), and conservatives (65%) all opposing the plan.
- Even a majority of Ohioans with household incomes over \$80,000 a year oppose the plan by a wide margin (64% oppose/27% support).

Voters do not support the policy behind the tax shift. When asked about the idea of paying for a reduction in state income taxes with an increase in the state sales tax, three-fifths of voters (62%) say they oppose the idea including majorities across political parties and ideologies, while only 27% are supportive.

Instead, Ohioans want to see taxes increased on the wealthy. Voters are clear in their rejection of the proposal's heavy tax cuts for the wealthiest Ohioans, as three-fourths of voters (74%) believe Ohio should increase taxes on the wealthiest Ohioans and profitable businesses to ensure they pay their fair share. Only 16% said they would like to see taxes cut for the wealthiest Ohioans and profitable corporations.

And voters would rather see investment in public services than a reduction in the personal income tax rate. When presented with a variety of statements suggesting investment in various state services like public health, education, and public safety over a personal income tax cut, voters agree with all of them. All statements receive majority agreement across political party and ideology.

SUPPORT FOR INVESTMENT IN PUBLIC SERVICES OVER INCOME TAX CUT

	Total Agree
I would rather invest in Ohio's public health services , including mental health services, and care for children with developmental disabilities than cut state income taxes.	75%
I would rather invest in Ohio's public safety services , including police, fire and emergency services than cut state income taxes.	73%
I would rather invest in Ohio's public schools than cut state income taxes.	69%

Ohioans believe work force education and training is more important than low personal income tax rates for job creation and economic growth. By a wide margin, voters indicate the best way to create jobs and economic growth in Ohio is through an educated and well-trained workforce (71%) over low personal income tax rates (21%). This view is held across political party and ideology.

About This Poll

This poll was conducted by Global Strategy Group (GSG) among 504 voters registered in Ohio from March 9-12, 2015. The margin of error on this poll is +/- 4.4%. The margin of error on subsamples is larger. GSG is a leading public opinion pollster whose clients include elected officials across the country at all levels of government, major non-profit institutions, and Fortune 500 companies.

Q1. Are you at least 18 years old and registered to vote at [ADDRESS]?	Yes.....	100%
	No.....	-
	Don't know/Refused.....	-

And thinking about some issues facing state government in Ohio...

Q2. As you may know, there is a proposal in front of the state legislature to shift taxes mainly by increasing the state sales tax while cutting the state income tax. Based on what you know, do you support or oppose this proposal? [IF ANSWER] Do you feel that way strongly or just somewhat?	Strongly support.....	10%
	Somewhat support.....	15
	Somewhat oppose.....	18
	Strongly oppose.....	26
	(Don't Know/Refused).....	31

VOL:

SUPPORT (NET).....	26%
OPPOSE (NET).....	44

Q3. An analysis of this proposal says that under this plan, the bottom three-fifths of taxpayers as a group, would actually see an increase in state and local taxes while the largest tax cuts would go to the wealthiest one percent of Ohio households. Having heard this, do you support or oppose this proposal? [IF ANSWER] Do you feel that way strongly or just somewhat?	Strongly support.....	8%
	Somewhat support.....	10
	Somewhat oppose.....	21
	Strongly oppose.....	51
	(Don't Know/Refused).....	10

VOL:

SUPPORT (NET).....	18%
OPPOSE (NET).....	72

Q4. Do you support or oppose paying for the reduction in state income taxes with an increase in the state sales tax? [IF ANSWER] Do you feel that way strongly or just somewhat?	Strongly support.....	10%
	Somewhat support.....	17
	Somewhat oppose.....	23
	Strongly oppose.....	39
	(Don't Know/Refused).....	10

VOL:

SUPPORT (NET).....	27%
OPPOSE (NET).....	62

Q5. And, to the best of your knowledge, since 2005 would you say your state income tax rate has...	Increased.....	36%
	Decreased.....	9
	OR Remained about the same.....	39
	(Don't Know/Refused).....	16

VOL:

I'm now going to read you a few statements. For each, please tell me whether you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with that statement.

	AGREE		DISAGREE		(DK/Ref.)	NET	
	<u>Strongly</u>	<u>Somewhat</u>	<u>Somewhat</u>	<u>Strong</u>	<u>(DK/Ref.)</u>	<u>AGREE</u>	<u>DISAGREE</u>
• I would rather invest in Ohio's public health services, including mental health services, and care for children with developmental disabilities than cut state income taxes.....	46%	29	11	11	3	75%	22
• I would rather invest in Ohio's public safety services, including police, fire and emergency services than cut state income taxes.....	39%	34	12	11	4	73%	23
• I would rather invest in Ohio's public schools than cut state income taxes.....	44%	25	13	16	3	69%	28

Q9. Which of the following statements do you agree with more?

We should increase taxes on the wealthiest Ohioans and profitable corporations so they pay their fair share of taxes.....	74%
We should cut taxes for the wealthiest Ohioans and profitable corporations.....	16
VOL: (Don't Know/Refused).....	10

Q10. Which of the following do you think is more important to create jobs and economic growth in Ohio?

Low personal income tax rates.....	21%
An educated and well-trained workforce.....	71
VOL: (Neither).....	4
VOL: (Don't Know/Refused).....	4