



David Binder Research

To: Interested Parties

Re: Earned Income Tax Credit Research

June 11, 2018

EARNED INCOME TAX CREDITS ARE BROADLY POPULAR

An expansive program of research conducted around the country by David Binder Research indicates that bold modernizations of Earned Income Tax Credit policies draw broad and enthusiastic support, with majorities believing they would effectively address some of the nation's pressing issues.

Nationally, 69 percent support "expanding the existing earned income tax credit to provide a tax break to working people with low incomes, including up to \$5000 per year for workers with one child or no children," while just 23 percent oppose.¹ 76 percent of Democrats and 67 percent of independents support this concept.

Do you support or oppose expanding the existing earned income tax credit to provide a tax break to working people with low incomes, including up to \$5000 per year for workers with one child or no children?

Support	Oppose	Don't Know
69%	23%	8%

Earned Income Tax Credits are also popular on a state level. In Colorado, for example, 72 percent support "giving a tax cut to lower and middle-income taxpayers, paid for by a tax increase on high-income people," while just 22 percent oppose.²

Do you support or oppose giving a tax cut to lower and middle-income taxpayers, paid for by a tax increase on high-income people?

Support	Oppose	Don't Know
72%	22%	6%

¹ Online survey of 1300 adults conducted from June 2-7, 2017. Margin of error equals +/- 2.7%

² Online survey of 1200 likely November 2018 voters from December 8-18, 2017. Margin of Error equals +/- 3.5%

MODERNIZED EITC ADDRESSES VOTERS' ANXIETIES OVER COST OF LIVING, INEQUALITY, TAX FAIRNESS

The research, which includes dozens of focus groups and quantitative surveys, indicates that—as voters continue to feel squeezed by an increasing cost of living—there is a palpable desire for policies that help alleviate these pressures.

In this context, a modernized Earned Income Tax Credit policy—framed as a benefit that people must earn through work, go to college, or care for family members—is seen as a promising way to help struggling Americans make ends meet. Many see the tax credit as being a more direct benefit to working Americans than funding specific government programs.

In addition, research reveals the degree to which voters believe the tax system currently favors the rich through loopholes and tax shelters. In this environment, few express reservations about taxing the top 1 percent or 2 percent of income in order to ensure fairness in the system.

For example, in Colorado, a notoriously anti-tax state, 74 percent agree with the statement that “the top 2 percent of Coloradans should pay more in taxes,” and 87 percent agree that “the super rich should pay their fair share of taxes.” In California, 67 percent say that “the wealthy are using loopholes and accounting tricks to avoid paying their share of taxes” is a very important problem.

EARNED INCOME TAX CREDITS SHOW POTENTIAL TO MOTIVATE SPORADIC VOTERS

Supporting Earned Income Tax Credit policies also shows positive electoral implications. In Colorado, 54 percent of voters say that they’d be more likely to support a candidate for Governor who supports Earned Income Tax Credits.

The concept also has the potential to boost turnout among historically sporadic voters.

For example, 42 percent of African Americans are *strong* supporters of expanding the existing earned income tax credit, compared with 28 percent overall. 35 percent of those under 30 are *strongly* supportive.

In Colorado, 72 percent of Latinos and 67 percent of Millennials say they are enthusiastic about voting on Earned Income Tax Credit policies.