

Embargoed for release April 14, 2005 at 10:00am

Attitudes on Tax and Wealth Issues - Topline Results April 6, 2005

Created for: Tax Foundation

Presented by: Bill Dalbec, Amie Wang

N=2,013

Weighted by age, education, race/ethnicity, income region to reflect US population

Q 620: Looking ahead, how likely is it that you will ever be rich?

VERY/SOMEWHAT LIKELY (NET)	30%
Very likely	7%
Somewhat likely	24%
NOT VERY/NOT AT ALL LIKELY (NET)	70%
Not very likely	43%
Not at all likely	26%

Q 625: Just thinking about your own situation, how much money per year do you think you would need to make in order to consider yourself rich?

0	1%	32000	0%	199000	0%
1	1%	35000	0%	200000	10%
5	0%	40000	0%	225000	0%
9	0%	45000	0%	250000	9%
12	0%	50000	4%	275000	0%
20	0%	52000	0%	300000	3%
22	0%	52732	0%	315000	0%
44	0%	55000	0%	350000	1%
50	0%	56000	0%	360000	0%
80	0%	60000	2%	400000	1%
90	0%	65000	0%	450000	0%

100	0%	69999	0%	500000	11%
120	0%	70000	2%	550000	0%
150	0%	75000	5%	600000	0%
200	0%	76000	0%	700000	0%
225	0%	78000	0%	750000	0%
300	0%	80000	2%	800000	0%
500	0%	85000	0%	900000	0%
999	0%	90000	1%	999999	0%
1000	0%	91101	0%	1000000	8%
2000	0%	95000	0%	1250000	0%
2750	0%	99000	0%	1500000	0%
4000	0%	99999	0%	2000000	1%
8000	0%	100000	20%	3000000	1%
10000	1%	120000	1%	4000000	0%
12000	0%	125000	1%	5000000	1%
13000	0%	130000	0%	7000000	0%
15000	0%	140000	0%	9000000	0%
18000	0%	150000	6%	10000000	4%
20000	0%	165000	0%		
25000	0%	175000	0%		
30000	0%	180000	0%		

Mean (Thousands)	\$705
Standard Deviation (Thousands)	\$1,909
Standard Error (Thousands)	\$43
Median (Thousands)	\$200

Q 630: Here are some decisions that people make in part because of taxes. In the last year which of the following did you do in part because it meant that you'd pay less in taxes?

Buy something on the Internet rather than from a local store	28%
Donate more to charity	25%
Cross a border to shop in a neighboring city or state with lower taxes	14%
Work fewer hours or less overtime	8%
Move to a new location	4%
None of these	50%

Q 635: How would you rate the value you personally get from the taxes you pay to the federal government?

EXCELLENT/PRETTY GOOD (NET)	25%
Excellent	3%
Pretty good	23%
ONLY FAIR/POOR (NET)	66%
Only fair	39%
Poor	27%
Not sure	9%

Q 640: Considering all government services on the one hand and taxes on the other, which of the following statements comes closest to your view?

Decrease services and taxes	34%
Keep taxes and services about where they are	30%
Increase services and raise taxes	13%
Not sure	23%

Q 645: Do you consider the amount of federal income tax you have to pay as ...?

Too high	55%
About right	33%
Too low	2%
Not sure	10%

Q 650: What is the maximum percentage of a person's income that SHOULD go to taxes - that is, all taxes, state, federal, and local?

100%	0%
90%-99%	0%
80%-89%	0%
70%-79%	0%
60%-69%	0%
50%-59%	2%
40%-49%	3%
30%-39%	7%
20%-29%	23%
10%-19%	41%
1%-9%	20%
0%	3%
Mean	16%

Q 655: Out of every dollar, what's the highest percentage anybody SHOULD HAVE TO PAY in taxes?

100%	0%
90%-99%	0%
80%-89%	0%
70%-79%	0%
60%-69%	0%
50%-59%	3%
40%-49%	4%
30%-39%	8%
20%-29%	20%
10%-19%	32%
1%-9%	31%
0%	2%
Mean	16%

Q 660: In reality, what percentage of income do you think the typical American ACTUALLY PAYS in taxes -- that is, all taxes, state, federal and local?

100%	0%
80%-89%	0%
70%-79%	1%
60%-69%	2%
50%-59%	6%
40%-49%	13%
30%-39%	28%
20%-29%	28%
10%-19%	15%
1%-9%	5%
0%	1%
Mean	29%

Q 670: Some taxes are paid to the federal government in Washington and some are paid to state and local governments. Of the following FEDERAL taxes, which do you think is the worst tax -- that is, the least fair?

The federal estate tax	30%
Federal income tax	26%
Social Security payroll tax	15%
Federal corporate income tax	8%
Not sure	21%

Q 675: Of the following STATE AND LOCAL taxes, which do you think is the worst tax -- that is, the least fair?

Local property tax	38%
State income tax	19%
Sales tax	18%
State corporate income tax	7%
Not sure	17%

Q 680: All in all, which of the following best describes how you feel about doing your income taxes?

LOVE IT/LIKE IT (NET)	12%
I love it	1%
I like it	11%
DISLIKE IT/HATE IT (NET)	70%
I dislike it	45%
I hate it	25%
None of these	19%

Q 685: How complex do you think the current federal income tax is?

VERY/SOMEWHAT COMPLEX (NET)	81%
Very complex	46%
Somewhat complex	35%
NOT TOO/NOT AT ALL COMPLEX (NET)	11%
Not too complex	9%
Not complex at all	2%
Not sure	8%

Q 690: Which of the following statements best describes your opinion of the federal tax system?

SHOULD BE COMPLETELY OVERHAULED/NEEDS MAJOR CHANGES (NET)	77%
It should be completely overhauled	35%
It needs major changes	42%
NEEDS MINOR CHANGES/IS FINE THE WAY IT IS (NET)	18%
It needs minor changes	16%
It is fine the way it is	2%
None of these	6%

Q 695: If you could choose one plan to collect all federal taxes, of these listed, which federal tax plan would you prefer?

A national sales tax	19%
A flat-rate income tax with no deductions	37%
The current graduated income tax with deductions	19%
Not sure	25%

Q 700: Would you be willing to give up some deductions to make the tax system simpler?

Yes	54%
No	21%
Not sure	25%

Q 705: Would you favor or oppose a flat tax whereby everybody, whatever they earned, would pay income taxes on the same percentage of their income over some minimum level?

Favor	54%
Oppose	21%
Not sure	26%

Q 710: Would you favor or oppose replacing part of the income tax with a nationwide sales tax?

Favor	34%
Oppose	36%
Not sure	30%

Q 715: Do you personally favor or oppose completely eliminating the estate tax - that is, the tax on property left by people who die?

Favor	68%
Oppose	17%
Not sure	15%

Q 720: All things considered, who do you think pays more in federal income taxes each year as a percentage of income - you or millionaire Donald Trump?

Me	59%
Donald Trump	26%
Not sure	15%

Q 725: Last year 44 million Americans -- that's one-third of all taxpayers - paid no federal income tax after deductions and credits. Thinking about your own tax burden, do you think this is fair, or do you feel everyone should be required to pay some minimum amount of tax to help fund government?

Everyone should be required to pay some minimum amount of tax to help fund government	59%
This is fair	21%
Not sure	20%

Q 730: All things considered, in which of the following classes would you place yourself?

The lower class	12%
The lower-middle class	30%
The middle class	34%
The upper middle class	15%
The upper class	2%
Not sure	3%
Decline to answer	4%

Q 735: How are your taxes usually prepared?

I pay an outside tax preparer	35%
By me or someone in my house using computer software like TurboTax or TaxCut	30%
By me or someone in my house using tax forms	24%
By a friend or family member outside my house	6%
Other	6%

Q 740: For your 2004 tax return will you take the standard deduction or will you itemize your deductions?

Take the standard deduction	42%
Itemize my deductions	44%
Not sure	14%

Q 745: Do you currently, personally or jointly with a spouse, have any money invested in the stock market through any of the following options?

An IRA	31%
A self-directed 401(k)	28%
A stock mutual fund	26%
In an individual stock	24%
Not sure	21%
Decline to answer	23%

Q 102: Are you ...?

Male	48%
Female	52%

Q 106: Age Category

18-19	5%
20-24	8%
25-29	8%
30-34	10%
35-39	9%
40-44	7%
45-49	14%
50-54	6%
55-59	10%
60-64	7%
65 and over	17%
Mean	45

Q 172: In what state/province/territory do you currently reside?

Alabama	1%	Montana	0%
Alaska	0%	Nebraska	1%
Arizona	2%	Nevada	0%
Arkansas	1%	New Hampshire	0%
California	10%	New Jersey	4%
Colorado	1%	New Mexico	1%
Connecticut	1%	New York	6%
Delaware	0%	North Carolina	2%
District of Columbia	0%	North Dakota	0%
Florida	9%	Ohio	4%
Georgia	2%	Oklahoma	1%
Hawaii	0%	Oregon	2%
Idaho	1%	Pennsylvania	4%
Illinois	5%	Rhode Island	0%
Indiana	2%	South Carolina	1%
Iowa	1%	South Dakota	0%
Kansas	1%	Tennessee	1%
Kentucky	2%	Texas	8%
Louisiana	1%	Utah	1%
Maine	1%	Vermont	0%
Maryland	2%	Virginia	3%
Massachusetts	2%	Washington	3%
Michigan	2%	West Virginia	0%
Minnesota	2%	Wisconsin	2%
Mississippi	0%	Wyoming	0%
Missouri	2%		

Q 174: U.S. Region

East	22%
Midwest	23%
South	32%
West	23%

Q 174: 9 Point Region

New England	5%
Mid-Atlantic	15%
East North Central	16%
West North Central	7%
South Atlantic	20%
East South Central	4%
West South Central	11%
Mountain	7%
Pacific	16%

Q 202: What is your marital status?

Single, never married	25%
Married	52%
Divorced	11%
Separated	2%
Widowed	5%
Living with partner	6%

Q 204: Including you, how many adults (age 18 or over) live in your household?

1	25%
2	54%
3	16%
4	4%
5+	2%
Mean	2

Q 206: How many children under the age of 18 live in your household?

None	69%
1	14%
2	12%
3	4%
4	1%
5+	0%
Mean (Excluding None)	2

Q 209: Age of Children

Less than 1	6%
1	3%
2	5%
3	6%
4	4%
5	6%
6	3%
7	4%
8	5%
9	7%
10	6%
11	4%
12	5%
13	7%
14	6%
15	7%
16	5%
17	6%
Decline to answer	5%
Mean	9

Q 210: What is your employment status?

Employed full time	43%
Employed part time	14%
Self-employed	9%
Not employed, but looking for work	6%
Not employed and not looking for work	2%
Retired	22%
Student	13%
Homemaker	9%

Q 216: What is the highest level of education you have completed or the highest degree you have received?

HIGH SCHOOL OR LESS (NET)	47%
Less than high school	0%
Some high school	4%
High school or equivalent (e.g., GED)	43%
SOME COLLEGE (NET)	28%
Some college, but no degree	20%
Associate's degree	8%
COLLEGE GRAD (NET)	20%
College (e.g., B.A., B.S.)	17%
Some graduate school, but no degree	3%
POST GRADUATE (NET)	6%
Graduate school (e.g., M.S., M.D., Ph.D.)	6%

Q 230: Compared to all households in your country in the year 2004, what do you think your overall total household income was?

BELOW AVERAGE (NET)	36%
Very much below average (less than one-third the average income)	6%
Below average (less than one-half the average income)	12%
Somewhat below average	18%
About average for my country	23%
ABOVE AVERAGE (NET)	30%
Somewhat above average	20%
Above average (more than double the average income)	8%
Very much above average (more than triple the average income)	2%
Decline to answer	10%

Q 232: Which of the following income categories best describes your total 2004 household income before taxes?

LESS THAN \$25,000 (NET)	18%
Less than \$15,000	9%
\$15,000 to \$24,999	9%
\$25,000 to \$34,999	9%
\$35,000 to \$49,999	12%
\$50,000 to \$74,999	17%
\$75,000 OR MORE (NET)	26%
\$75,000 to \$99,999	11%
\$100,000 to \$124,999	8%
\$125,000 to \$149,999	3%
\$150,000 to \$199,999	2%
\$200,000 to \$249,999	1%
\$250,000 or more	1%
Decline to answer	18%

Q 244: Race/Ethnicity (Combined)

White	72%
Hispanic	12%
African American	6%
Black	5%
Decline to answer	3%
Asian or Pacific Islander	1%
Mixed racial background	1%
Native American or Alaskan native	1%
Other race	0%