



# Addressing "fiscal cliff" through income tax changes more popular than sales tax changes

Share of population saying taxes are "too high" on the rise, but at the same time most willing to raise taxes to fund education and transportation



The second in a series of six reports from the 2018 Louisiana Survey

March 23, 2018

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The Reilly Center for Media & Public Affairs, an integral part of Louisiana State University's Manship School of Mass Communication, uses the intellectual muscle of the school's faculty to help solve practical problems and advance good government initiatives. The Reilly Center's mission is to generate thoughtful programs, dialogue, and research about social, economic, and political affairs, as well as the developing role of the media in American society. The Center is committed to advancing the Manship School's national leadership in media and politics.

The Center's agenda is diverse and fluid – from the annual John Breaux Symposium, which brings in national experts to discuss a topic that has received little or no attention, to conducting the annual *Louisiana Survey*, a vital resource for policymakers, which tracks advancements and regressions of citizen attitudes about state services. The Center's role, within the state's flagship university, is to respond quickly to the needs of state governance in addressing challenges facing Louisiana, particularly in times of crisis such as during Hurricanes Katrina and Rita and the 2010 Deepwater Horizon oil spill. Its action-oriented and partnership-driven philosophy underscores the Reilly Center's dedication to tackling ideas and issues that explore the relationship of media and the public in democratic society.

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### **About the Louisiana Survey**

The 2018 Louisiana Survey is the seventeenth in an annual series sponsored by the Reilly Center for Media & Public Affairs at Louisiana State University's Manship School of Mass Communication.

The mission of the *Louisiana Survey* is to establish benchmarks as well as to capture change in residents' assessments of state government services. The survey is further dedicated to tracking public opinion on the contemporary policy issues that face the state. Each iteration of the *Louisiana Survey* contains core items designed to serve as barometers of public sentiment, including assessments of whether the state is heading in the right direction or wrong direction, perceptions about the most important problems facing the state, as well as evaluations of public revenue sources and spending priorities.

In the 2018 Louisiana Survey, this core is supplemented by measures of perceptions of political polarization in the state and support for compromise; trust in government and media; opinion on proposals to address the state's "fiscal cliff;" beliefs about the role of government in business and the economy; approval of major recent policy developments such as criminal justice reform and Medicaid expansion; and beliefs about gender discrimination and sexual harassment.

As part of an effort to ensure that the *Louisiana Survey* fulfills its public service mission, the research team solicited input about topics for the survey from members of the government and policy community across the political spectrum. Additionally, the research team drew upon expertise in public policy and polling from Louisiana State University faculty. These advisors provided invaluable insight into the design of the questionnaire and in identifying the contemporary policy questions that could most benefit from an understanding of the public's views. While we are indebted to them for their time and contributions, they bear no responsibility for any mistakes in the questionnaire, analysis, or interpretation presented in this report.

We especially thank the Reilly Family Foundation for their generous support and vision in helping to create the Louisiana Survey.

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#### **Overview**

As lawmakers mull over Louisiana's structural budget deficit, where do the people of the state stand on the fiscal challenges? The *2018 Louisiana Survey*, a project of the Reilly Center for Media & Public Affairs, reveals that:

- News of the state's "fiscal cliff" has reached most Louisiana residents: 87 percent recognize that the state currently faces budget problems, and 59 percent say these problems are "very serious."
- A bipartisan majority of Louisiana residents (56 percent) support lowering state income tax rates in exchange for eliminating some deductions as a means to deal with the "fiscal cliff." The income tax proposal is more popular than proposals to reduce the state sales tax rate in exchange for applying it to more purchases or to renew the temporary sales tax increase from 2016. However, a majority also support dealing with the "fiscal cliff" only through spending cuts.
- The public is split over a proposal to rewrite the state's constitution with 46 percent supporting and 44 percent opposing. However, even among supporters of a convention to rewrite the constitution, most prefer to keep current dedications.
- State residents are more familiar with how sales tax in Louisiana has changed in recent years and how it compares to most other states than they are with the state's income taxes on individuals and households. Most correctly believe that the state sales tax is *higher* today than in January 2016. Similarly, most recognize that the combined state and local sales taxes in Louisiana are *higher* than in most other states. However, only 27 percent know that Louisiana's income taxes on individuals and households are *lower* than in most other states, and many residents believe income taxes have *increased* since January 2016.
- There has been a sharp increase in the shares of Louisiana residents who say that the state sales tax and state income tax are "too high and should be reduced," yet most Louisiana residents nevertheless prefer to raise taxes to pay for elementary & secondary education, higher education, and transportation than to cut spending for these areas.
- On average, Louisiana residents believe the state could reduce its budget by 14 percent without having to reduce services.

The 2018 Louisiana Survey was administered over the telephone from January 26 to March 3, 2018, to both landline and cell phone respondents. The project includes a representative sample of 852 adult Louisiana residents. The total sample has a margin of error of  $\pm$ -3.4 percentage points.

This is the second in a series of six releases on results from the 2018 Louisiana Survey.



## Nearly all aware of state's budget problems

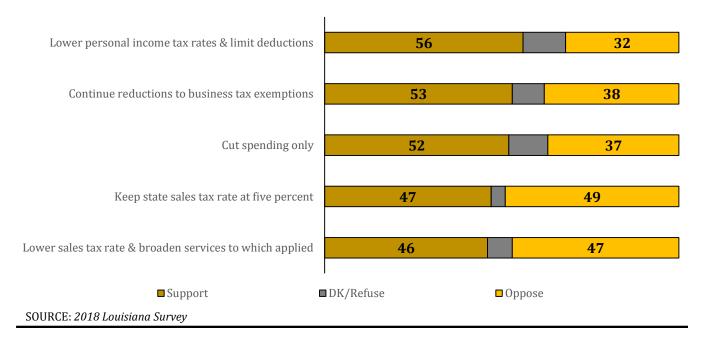
News of the state's "fiscal cliff" has reached most Louisiana residents. In all, 87 percent recognize the state currently faces budget problems, and awareness remains high across a variety of demographic and other background characteristics. Whether comparing Democrats and Republicans, whites and blacks, younger and older residents, or higher and lower income residents, similar shares of these groups recognize the "fiscal cliff." Awareness of the issue slips somewhat for a few groups – individuals who did not attend college, individuals who pay little attention to political news, and men – but majorities are aware of the state's fiscal challenge even among these groups.

The survey went on to ask those respondents who said the state is facing budget problems whether those problems are "very serious," "fairly serious," or "not too serious." In the total sample, 59 percent said the state is currently facing budget problems and that those problems are "very serious." As with awareness of the state's fiscal challenges, concern about the seriousness of this issue remains high across demographic and partisan groups. One exception is that only 41 percent of younger residents (age 18 to 29 years) think the state is facing a "very serious" budget problem.

Very few individuals think the state is not facing budget problems (8 percent) or think the state is facing fiscal problems but the problems are not too serious (4 percent).



**Figure 1: Public split on sales tax proposals for "fiscal cliff," supports income tax proposal** Percent saying support or oppose



## More support for income tax proposal for addressing "fiscal cliff" than sales tax proposals

The survey asked respondents whether they support or oppose five proposals to deal with the state's "fiscal cliff." Before hearing the proposals respondents were first told: "As you may know, two years ago, Louisiana temporarily increased its state sales tax from four percent to five percent and temporarily raised taxes on some businesses by lowering certain exemptions. State government faces a billion dollar shortfall in its budget when those temporary tax increases expire later this year. We would like to ask you about various proposals that have been made to deal with Louisiana's budget shortfall." The proposals include:

- 1. "Lowering the state personal income tax rates in exchange for limiting some of the deductions a taxpayer can claim on their state income taxes, which would increase the total amount of state revenue coming from the state income tax."
- 2. "Lowering the state sales tax rate back down to four percent but broaden the tax to apply to certain kinds of purchases that are not currently charged a state sales tax, such as cable television, haircuts, and lawn care."
- 3. "Continuing the state sales tax increase, which would keep the rate at five percent instead of letting it drop back down to four percent."
- 4. "Continuing the reductions to certain business tax exemptions."
- 5. "Letting the temporary tax increases expire and handle the billion dollar budget shortfall by cutting spending only."



The proposal to lower income tax rates but limit deductions proved the most popular, supported by 56 percent of the public and opposed by just 32 percent (Figure 1).

Two other proposals also receive more support than opposition: Continuing the reductions to business tax exemptions (53 percent support / 38 percent oppose) and addressing the "fiscal cliff" only with spending cuts (52 percent support / 37 percent oppose).

Of the three proposals supported by a majority of Louisiana residents, only two receive bipartisan support. Majorities of Republicans (61 percent), Democrats (54 percent), and independents (55 percent) support the proposal to change the state personal income tax. Likewise, most Republicans (52 percent), Democrats (51 percent), and independents (55 percent) support continuing the temporary reductions to certain business tax exemptions passed in 2016.

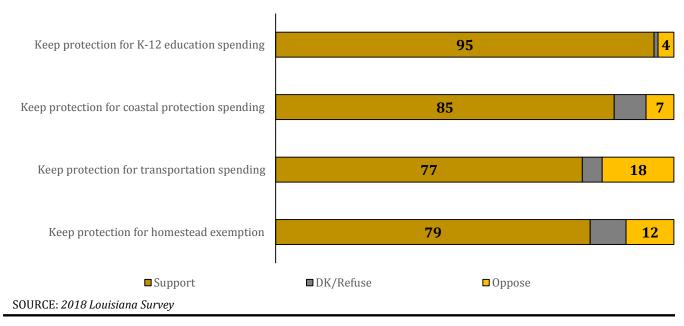
Despite support among the majority of the total adult population of Louisiana, the proposal to deal with the "fiscal cliff" only through spending cuts splits along partisan lines. Sixty percent of Republicans and 55 percent of independents back this proposal, but only 42 percent of Democrats do. Instead, half of Democrats oppose a cuts only approach to the state's budget problems.

Finally, the public splits nearly evenly over two sales tax proposals: Renewing the temporary state sales tax increase from 2016 (47 percent support / 49 percent oppose) and lowering the sales tax rate back down to four percent but broadening the tax's application to more services (46 percent support / 47 percent oppose).

Democrats are the most opposed to reducing sales tax rates in exchange for broadening the tax's base (42 percent support / 52 percent oppose). Republicans (50 percent support / 47 percent oppose) and independents (48 percent support / 45 percent oppose) split more evenly on this proposal. In contrast, Republicans are the most opposed to retaining the fifth penny of the state's sales tax (45 percent support / 52 percent oppose). Democrats (50 percent support / 47 percent oppose) and independents (48 percent support / 48 percent oppose) split more evenly.



Figure 2: Supporters of constitutional convention not interested in eliminating specific protections



## Supporters of constitutional convention balk at eliminating specific protections

State constitutional dedications make it difficult for elected officials to reduce certain kinds of spending. Supporters of these dedications argue that these rules protect important kinds of spending and other policies from interference by lawmakers. However, others argue that too many rules in the constitution control government spending and tax policy making it harder for lawmakers to deal with budget shortfalls. Some of these critics have proposed calling a convention to rewrite the state's constitution.

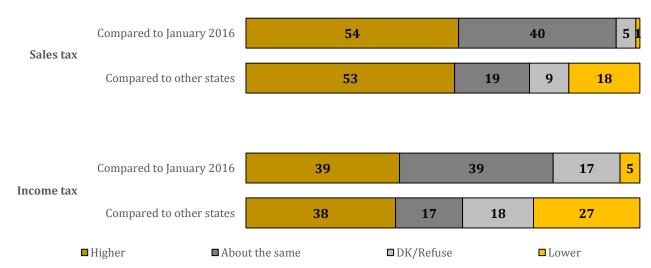
The public splits over the proposal to rewrite the state's constitution (46 percent support / 44 percent oppose). The proposal is more popular among Democrats (52 percent support / 38 percent oppose) than Republicans (39 percent support / 49 percent oppose) or independents (45 percent support / 45 percent oppose).

However, the proposal may prove less hopeful that its prominent advocates hope. Individuals who support the call for a constitutional convention nevertheless tend to oppose eliminating specific dedications from the current constitution. Respondents who support a convention were randomly assigned to one of four follow up questions asking about opinions of specific changes to the constitution. Three of these questions gauge support for retaining specific spending protections – for elementary and secondary education spending, for coastal protection spending, and for transportation spending. The fourth question measures support for keeping the state's homestead exemption for local property taxes. In each case, large majorities of convention supporters want to retain existing protections (Figure 2).



Figure 3: Most recognize sales tax has increased and is higher than other states, but many are unfamiliar with how income tax compares to past or other states

Percent saying taxes are \_\_\_\_\_ compared to January 2016 or compared to other states



NOTE: Respondents were randomly assigned to answer questions about state sales tax or about state personal and household income tax. For comparisons to other states, the question asks about "combined state and local sales taxes." All other questions ask about state taxes only. Percentages may not sum to 100 due to rounding.

SOURCE: 2018 Louisiana Survey

## Public is better informed about sales tax than income tax

Before answering questions about proposals to deal with the state's budget, survey respondents answered a battery of questions measuring their perceptions of facts about sales and income taxes in Louisiana. Specifically, respondents were asked how these taxes compare to January 2016 and how they compare to other states.

Most Louisiana residents (54 percent) correctly recognize that the state's sales tax is *higher* today than in January 2016 (Figure 3). Similarly, most (53 percent) recognize that the combined state and local sales taxes in Louisiana are *higher* than in most other states.<sup>1</sup>

https://files.taxfoundation.org/20180313143458/Tax-Foundation-FF572.pdf

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In contrast, state residents are less familiar with Louisiana's income taxes on households and individuals. Unlike the state sales tax rate. individual and household income tax rates and brackets in Louisiana have not changed since January 2016. However, 39 percent say these taxes are *higher* today than they were in January 2016, five percent say they are lower, and 17 percent admit they do not know how the state's income taxes compare to January 2016. One possible explanation for this pattern is that individuals are responding based upon what they personally pay in state income taxes, which may have changed since January 2016 if their earnings, eligibility for deductions, or other circumstances that shape income tax bills have changed in that time. Another explanation, although a less optimistic one, is that Louisianans are poorly informed about income taxes in the state.2

<sup>&</sup>lt;sup>1</sup> According to the Tax Foundation, an independent tax policy research organization, Louisiana has the highest average combined state and local sales tax among all fifty states. For more information:

<sup>&</sup>lt;sup>2</sup> A third potential explanation is that individuals are responding to increases in withholding from

This interpretation is borne out when looking at responses to another factual question about the state's income taxes on individuals and households: How do these taxes compare to most other states.

Income taxes are difficult to compare across states because they involve a number of dimensions – for example, the number of brackets, the income ranges associated with each bracket, the tax rates applied to each range, and the availability of deductions and exemptions all vary across states. Nevertheless, two summary metrics are easily compared: Individual and household income tax payments per-capita and the share of state revenue coming from these taxes

On both of these dimensions, Louisiana income taxes are lower than most other states. Louisiana ranks 39<sup>th</sup> on per-capita income tax payments, with an average tax of \$592 or just over half of the average across all states.<sup>3</sup> For share of state revenue coming from individual and household income taxes, Louisiana ranks 40<sup>th</sup> with 15 percent.<sup>4</sup>

Whichever of these two summary measures is used, most Louisiana residents do not appear to know that the state's income taxes are lower than in most other states. Thirty-eight percent of Louisianans think the state's income taxes on individuals and households are higher than in most other states – a perception of state taxes that is difficult to square with the facts. Another 18 percent simply say they do not know how income taxes compare across states. Just 27 percent say these taxes are lower in Louisiana than in most other states, and 17 percent say they are about the same.

paychecks for state individual and household income taxes as a consequence of changes in the federal income tax. The new withholding amounts went into effect beginning February 16, 2018, midway through the field period for this survey's data collection. However, a comparison of responses before and after this date reveal no differences, indicating responses to

this question were not moved by the change in withholding.

<sup>3</sup> For more information:

https://taxfoundation.org/individual-income-tax-collections-per-capita/

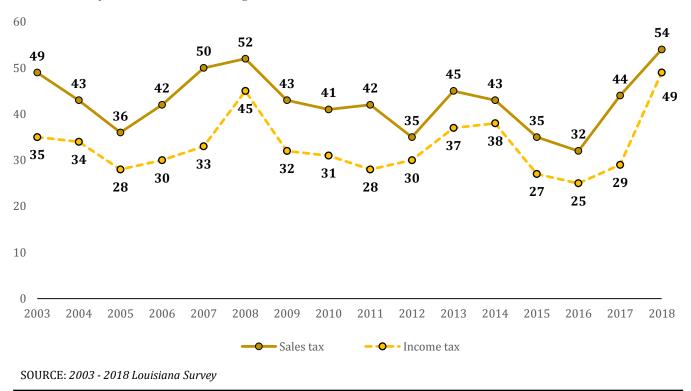
<sup>4</sup> For more information:

https://taxfoundation.org/income-taxes-percent-collections/



Figure 4: Belief that state sales and income taxes are "too high" on the rise

Percent who say the state \_\_\_\_\_ is "too high and should be reduced"



## More residents say sales and income taxes are too high and should be reduced...

There has been a sharp increase in the shares of Louisiana residents who say that the state sales tax and state income tax are "too high and should be reduced" (Figure 4). For the sales tax, the increase has unfolded over two years since Louisiana raised the state rate from four percent to five percent. Today, most residents (54 percent) say the tax is "too high." Democrats (54 percent) and Republicans (60 percent) share this view.

The trend in responses about the state's income tax are even starker – shifting 20 points over a single year. Today, approximately half of Louisiana residents say the state income tax is "too high and should be reduced." Although it is unlikely this spike in opinion that the income tax is "too high" is a consequence of actual changes in the state's tax code since 2017 (the rates and brackets of which have remained constant over this period), it may reflect persuasion as the state continues to debate issues of government spending and revenue.<sup>5</sup>

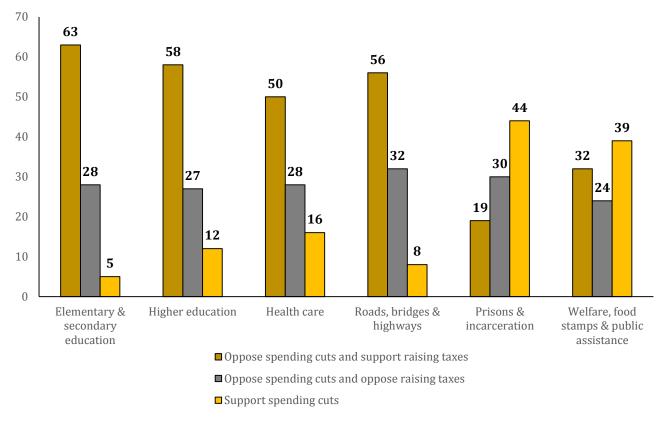
in previous years, the 2018 question was preceded by a question asking whether the tax had increased in recent years. A large share of individuals believe this tax has increased. Perhaps asking about this increase just before asking whether the tax is "too high," primes



<sup>&</sup>lt;sup>5</sup> As with perceptions about the trend in the tax, there is no evidence that belief that the state's income taxes are "too high" were moved by changes in withholding following implementation of changes to federal tax policy. Another potential explanation for the rise in the share saying the income tax is "too high" is that, unlike

Figure 5: Most willing to personally pay higher taxes to fund education and transportation

Percent who have specified combinations of spending and tax preferences for each policy area.



NOTE: Percentages are the share holding the specified combination of spending and tax preferences *out of all respondents*. The shares of respondents who volunteered that they do not know or who refused to answer the questions are not shown in this figure.

SOURCE: 2018 Louisiana Survey

## ... But most support raising taxes rather than cutting spending to key areas

Despite a general antipathy toward taxes when asked about those topics on their own, most Louisiana residents nevertheless prefer to raise taxes than to cut spending for education and transportation.

Importantly, the survey measures opinions about policy-specific spending in the context of tradeoffs between expenditures and the need for tax revenue to fund them. Because the state requires a balanced budget and faces potential revenue shortfalls, increasing spending or even maintaining current levels of spending requires a revenue source.

Asking about spending in isolation from revenue – as is customary in many surveys – masks the fiscal tradeoff state lawmakers face and allows respondents to express preferences on one side of the balance sheet while ignoring the

respondents to answer the latter in a way that corresponds with their answer to the former.



consequences on the other side. What is key, then, is not whether Louisiana residents want more or less spending for specific services, but whether they are willing to fund current or new spending with higher taxes.

To better capture this tradeoff, the survey first asks whether respondents want to increase spending, cut spending, or keep it about the same and then asks respondents who said they want to increase spending or who said they want to keep spending at current levels whether they support or oppose raising taxes to fund that spending.

When faced with the tradeoff between spending and taxes, most respondents opt to avoid cuts in the first question and to raise taxes in the second question for the areas of elementary and secondary education, higher education, and transportation. In fact, when it comes to education and transportation, a majority of Louisianans want to raise taxes to fund these services (Figure 5). For example, 63 percent of residents are willing to pay higher taxes for funding elementary and secondary education, while only five percent prefer to cut spending in this area.<sup>6</sup>

Similarly, half of state residents prefer raising taxes for health care to cutting spending for health care.

Support for spending cuts surpasses support for taxes in only two of the six policy areas covered in the survey. Forty-four percent want to cut spending for prisons and incarceration, and 39 percent want to cut spending for welfare, food stamps, and public assistance.

Perhaps more important, in all six policy areas, a majority of individuals elect either to raise taxes or to cut spending when faced with the tradeoff between the two choices. In short, the public has the capacity to navigate the fiscal tradeoffs the state faces. Relatively few individuals (between 24 and 32 percent depending on the policy area) choose neither to cut spending for a particular policy area nor to raise taxes to pay for that spending. It is this smaller group of individuals, rather than the state's population as a whole, who best fit the cliché that voters want "something for nothing."

support for taxes just among those who support increasing spending or just among those who wish to keep spending the same (rather than among all respondents), see the toplines at the end of this report.



<sup>&</sup>lt;sup>6</sup> The percentages for those willing to pay higher taxes are the share of all respondents who did two things: 1) Chose either to increase spending or to keep it about the same, and 2) Supported raising taxes to pay for spending in this area. For separate breakdowns of

## Most think state can cut spending without reducing services

The public believes it is possible to reduce government spending without cutting specific services by reducing waste and inefficiency. In all, 69 percent believe the state government can spend less and continue to provide the same level

of services. Majorities of both Republicans (83 percent) and Democrats (52 percent) believe the government can cut spending without cutting services.

On average, Louisiana residents believe the state could reduce its budget by 14 percent without having to reduce services.



### **Survey Methodology**

The analysis in this report is based on telephone interviews conducted among a statewide sample of 852 adults (18 years of age or older) living in Louisiana. The survey was conducted by interviewers at Louisiana State University's Public Policy Research Lab. The sample includes 326 respondents interviewed via landline telephone and 526 respondents interviewed on a cellphone, including 344 who do not have a landline telephone. The design of the landline sample ensures representation of both listed and unlisted numbers by use of random digit dialing. The cell phone sample is randomly drawn from known, available phone number banks dedicated to wireless service. Both samples, landline and cellphone, were provided by Marketing Systems Group.

The combined landline and cell phone sample is weighted using an iterative procedure that matches race, education, household income, gender and age to known profiles for the adult population of Louisiana found in the Census Bureau's American Community Survey 2016 one-year estimates. The sample is also weighted for population density by parish. Weighting cannot eliminate every source of nonresponse bias. However, proper administration of random sampling combined with accepted weighting techniques has a strong record of yielding unbiased results.

The sample has an overall margin of error of +/-3.4 percentage points.

In addition to sampling error, as accounted for through the margin of error, readers should recognize that question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of opinion polls. As often as possible, the *Louisiana Survey* follows the wording of relevant questions repeatedly used by reputable public opinion research institutions and projects, such as the Pew Research Center, Gallup Inc., and the American National Election Studies.

Interviews for this survey were conducted from January 26 to March 3, 2018. Because data collection overlaps with a special session of the Louisiana Legislature from February 19 to March 3, 2018, responses to questions included in this report were analyzed for any differences between the pre-session interviews and interviews conducted during the session, controlling for mode of interview. For most questions, there is no evidence for differences by date of interview. The exceptions are: Belief that the state sales tax is "too high" drops 17 points during the special session, support for taxes to fund health care increase seven points, and support for taxes to fund prisons and incarceration increase eight points.

The 2018 Louisiana Survey has a response rate of 11 percent. This response rate is the percentage of eligible residential households or personal cell phones in the sample for which an interview is completed. The rate is calculated using the American Association for Public Opinion Research's method for Response Rate 3 as published in their Standard Definitions. Response rates for telephones have been on decline for several decades and frequently fall in the single digits even among the very best survey research organizations. The response rate for this survey is within the typical range for reputable live-interviewer telephone survey firms.

Louisiana State University's Public Policy Research Lab, a division of the Reilly Center for Media & Public Affairs, designed the survey questionnaire and sampling strategy, computed the survey weights, and conducted all statistical analysis.



### **Question Wording & Toplines**

NOTE: Unless otherwise indicated, results are for the total sample. Not all respondents were asked each question, and questions asked to a subset of respondents are labelled accordingly. For these questions, percentages are only for those respondents who were asked the particular question. Percentages may not sum to 100 due to rounding.

#### Q1A. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Thinking about the state sales tax, would you say the state sales tax in Louisiana is higher, lower, or about the same as what it was back in January 2016 about two years ago?

Higher	54
Lower	1
About the same	40
Don't know/Refused [VOLUNTEERED]	5

#### Q2A. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Now, thinking about combined state and local sales taxes in Louisiana compared to other states, do you think the combined state and local sales taxes in Louisiana are higher than in most other states, lower than in most other states, or about the same as in most other states?

Higher	53
Lower	18
About the same	19
Don't know/Refused [VOL.]	9

#### Q3A. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Would you say that the state sales tax is too high and should be reduced, too low and should be increased, or just about right?

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#### Q1B. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Thinking about state income taxes on individuals and households, would you say state income taxes on individuals and households in Louisiana are higher, lower, or about the same as what they were back in January 2016 about two years ago?

Higher	39
Lower	5
About the same	39
Don't know/Refused [VOL.]	17



#### Q2B. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Now, thinking about state income taxes on individuals and households in Louisiana compared to other states, do you think state income taxes on individuals and households in Louisiana are higher than in most other states, lower than in most other states, or about the same as in most other states?

Higher	38	
Lower	27	
About the same	17	
Don't know/Refused [VOL.]	18	

#### Q3B. [RESPONDENTS RANDOMLY ASSIGNED TO Q1A-Q3A OR TO Q1B-Q3B]

Would you say that state income taxes on individuals and households are too high and should be reduced, too low and should be increased, or just about right?

Too high and should be reduced	49
Too low and should be increased	14
Just about right	30
Don't know/Refused [VOL.]	6

#### Q4.

As you may know, some state governments are facing budget problems that have forced them to raise taxes or reduce spending. What about in Louisiana? From what you have heard, is Louisiana's state government currently facing budget problems or not? [IF RESPONDENT SAYS "It depends," PROBE ONCE: Just your impression, is Louisiana's state government facing budget problems or not?]

Yes	87
No	8
Don't know/Refused [VOL.]	5

#### Q5. [ASK IF Q4 IS 'Yes']

Are these budget problems very serious, fairly serious, or not too serious?

Very serious	68
Fairly serious	26
Not too serious	5
Don't know/Refused [VOL.]	1

Yes & very serious	59
Yes & fairly serious	23
Yes & not too serious	4
No	8
Don't know/Refused [VOL.]	6



#### INTRO FOR Q6-Q10.

As you may know, two years ago, Louisiana temporarily increased its state sales tax from four percent to five percent and temporarily raised taxes on some businesses by lowering certain exemptions. State government faces a billion dollar shortfall in its budget when those temporary tax increases expire later this year. We would like to ask you about various proposals that have been made to deal with Louisiana's budget shortfall. First...

#### Q6. [ORDER OF Q6-Q9 RANDOMIZED]

Would you support or oppose lowering state personal income tax rates in exchange for limiting some of the deductions a taxpayer can claim on their state income taxes, which would increase the total amount of state revenue coming from the state income tax?

Support	56
Oppose	32
Don't know/Refused [VOL.]	12

#### Q7. [ORDER OF Q6-Q9 RANDOMIZED]

Would you support or oppose lowering the state sales tax rate back down to four percent but broaden the tax to apply to certain kinds of purchases that are not currently charged a state sales tax, such as cable television, haircuts, and lawn care?

Support	46
Oppose	47
Don't know/Refused [VOL.]	6

#### Q8. [ORDER OF Q6-Q9 RANDOMIZED]

Would you support or oppose continuing the state sales tax increase, which would keep the rate at five percent instead of letting it drop back down to four percent?

Support	47
Oppose	49
Don't know/Refused [VOL.]	4

#### Q9. [ORDER OF Q6-Q9 RANDOMIZED]

In order to raise state tax revenue, would you support or oppose continuing the reductions to certain business tax exemptions?

Support	53
Oppose	38
Don't know/Refused [VOL.]	9

#### Q10.

Finally, would you support or oppose letting the temporary tax increases expire and handle the billion dollar budget shortfall by cutting spending only?

Support	52
Oppose	37
Don't know/Refused [VOL.]	11



#### INTRO FOR Q11-Q22.

Now I'm going to read you some different areas where Louisiana spends tax dollars. As I read each one, tell me if you would like to see state spending in this area increased, decreased, or kept the same.

#### [RANDOMIZE ORDER OF AREAS.]

#### Q11.

What about spending for primary and secondary education? Should this be increased, decreased, or kept the same?

Increased	61
Decreased	5
Kept the same	33
Don't know/Refused [VOL.]	1

#### Q12A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q11]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for primary and secondary education?

Support	81
Oppose	17
Don't know/Refused [VOL.]	1

#### Q12B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q11]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for primary and secondary education at this level?

Support	41
Oppose	54
Don't know/Refused [VOL.]	5

Increase spending & support raising taxes	49
Increase spending & oppose raising taxes	10
Increase spending & don't know/refused [VOL.]	1
Decrease spending	5
Keep spending same & support raising taxes	14
Keep spending same & oppose raising taxes	18
Keep spending same & don't know/refused [VOL.]	2
Don't know/Refused [VOL.]	1



#### Q13.

What about spending for higher education? Should this be increased, decreased, or kept the same?

Increased	59
Decreased	12
Kept the same	28
Don't know/Refused [VOL.]	1

#### Q14A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q13]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for higher education?

Support	80
Oppose	18
Don't know/Refused [VOL.]	2

#### Q14B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q13]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for higher education at this level?

Support	39
Oppose	60
Don't know/Refused [VOL.]	1

Increase spending & support raising taxes	47
Increase spending & oppose raising taxes	11
Increase spending & don't know/refused [VOL.]	1
Decrease spending	12
Keep spending same & support raising taxes	11
Keep spending same & oppose raising taxes	17
Keep spending same & don't know/refused [VOL.]	0
Don't know/Refused [VOL.]	1



#### Q15.

What about spending for health care? Should this be increased, decreased, or kept the same?

Increased	45
Decreased	16
Kept the same	35
Don't know/Refused [VOL.]	3

#### Q16A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q15]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for health care?

Support	77
Oppose	21
Don't know/Refused [VOL.]	3

#### Q16B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q15]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for health care at this level?

Support	43
Oppose	53
Don't know/Refused [VOL.]	4

Increase spending & support raising taxes	35
Increase spending & oppose raising taxes	9
Increase spending & don't know/refused [VOL.]	1
Decrease spending	16
Keep spending same & support raising taxes	15
Keep spending same & oppose raising taxes	19
Keep spending same & don't know/refused [VOL.]	1
Don't know/Refused [VOL.]	3



#### **Q17**.

What about spending for roads, bridges and highways? Should this be increased, decreased, or kept the same?

Increased	59
Decreased	8
Kept the same	32
Don't know/Refused [VOL.]	2

#### Q18A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q17]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for roads, bridges and highways?

Support	76
Oppose	23
Don't know/Refused [VOL.]	1

#### Q18B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q17]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for roads, bridges and highways at this level?

Support	36
Oppose	60
Don't know/Refused [VOL.]	4

Increase spending & support raising taxes	45
Increase spending & oppose raising taxes	13
Increase spending & don't know/refused [VOL.]	1
Decrease spending	8
Keep spending same & support raising taxes	12
Keep spending same & oppose raising taxes	19
Keep spending same & don't know/refused [VOL.]	1
Don't know/Refused [VOL.]	2



#### Q19.

What about spending for prisons and incarceration? Should this be increased, decreased, or kept the same?

Increased	10
Decreased	44
Kept the same	41
Don't know/Refused [VOL.]	4

#### Q20A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q19]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for prisons and incarceration?

Support	63	
Oppose	30	
Don't know/Refused [VOL.]	6	

#### Q20B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q19]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for prisons and incarceration at this level?

Support	30
Oppose	66
Don't know/Refused [VOL.]	4

Increase spending & support raising taxes	6
Increase spending & oppose raising taxes	3
Increase spending & don't know/refused [VOL.]	1
Decrease spending	44
Keep spending same & support raising taxes	12
Keep spending same & oppose raising taxes	27
Keep spending same & don't know/refused [VOL.]	2
Don't know/Refused [VOL.]	4



#### **Q21**.

What about spending for welfare, food stamps and other public assistance programs? Should this be increased, decreased, or kept the same?

Increased	18
Decreased	39
Kept the same	39
Don't know/Refused [VOL.]	4

#### Q22A. [ASKED ONLY TO RESPONDENTS WHO SAID "Increased" FOR Q21]

Keeping in mind that, because the state faces a budget shortfall, increasing spending above current levels could require higher taxes, would you support or oppose raising taxes in order to increase spending for welfare, food stamps and other public assistance programs?

Support	78	
Oppose	20	
Don't know/Refused [VOL.]	2	

#### Q22B. [ASKED ONLY TO RESPONDENTS WHO SAID "Kept the same" FOR Q21]

Keeping in mind that, because the state faces a budget shortfall, keeping spending at current levels could require higher taxes, would you support or oppose raising taxes in order to keep spending for welfare, food stamps and other public assistance programs at this level?

Support	46
Oppose	51
Don't know/Refused [VOL.]	3

Increase spending & support raising taxes	14
Increase spending & oppose raising taxes	4
Increase spending & don't know/refused [VOL.]	0
Decrease spending	39
Keep spending same & support raising taxes	18
Keep spending same & oppose raising taxes	20
Keep spending same & don't know/refused [VOL.]	1
Don't know/Refused [VOL.]	4



#### 023.

Now, thinking about the taxes you and your household pay to the state of Louisiana, do you think you're paying more than your fair share, less than your fair share, or about the right amount?

More than your fair share	36
Less than your fair share	3
About the right amount	56
Don't know/Refused [VOL.]	4

#### Q24.

Now, we'd like your opinions on how efficiently state government uses tax money. Could state government spend less and still provide the same level of services?

Yes, could spend less	69
No, could not spend less	25
Don't know/Refused [VOL.]	6

#### Q25. [ASKED ONLY TO RESPONDENTS WHO SAID "Yes" FOR Q24]

Approximately how much - as a percentage of the state budget - would you estimate that state government could cut its spending without having to reduce services? Your best guess is fine.

Mean response:	20%
Don't know/Refused [VOL.]	20

#### TOTAL SAMPLE [COUNTING "No" RESPONSE TO Q24 AS ZERO PERCENT]:

Mean response:		14%
Don't know/Refused	l [VOL.]	20

#### 026.

Next, we would like to know what you think about a proposal to rewrite the state's constitution. Supporters of the proposal say that too many rules that control government spending and tax policy are locked into the current constitution, making it harder for lawmakers to deal with budget shortfalls. Opponents say these rules protect important kinds of spending and other policies from interference by lawmakers. What about you? Would you support or oppose calling a convention to rewrite the state's constitution?

Support	46
Oppose	44
Don't know/Refused [VOL.]	10

## Q27. [RESPONDENTS WHO SAID "Support" FOR Q26 ARE RANDOMLY ASSIGNED TO Q27, Q28, Q29 OR Q30]

Would you support or oppose keeping the protection for elementary and secondary education spending in the state constitution?

Support	95
Oppose	4
Don't know/Refused [VOL.]	1



## Q28. [RESPONDENTS WHO SAID "Support" FOR Q26 ARE RANDOMLY ASSIGNED TO Q27, Q28, Q29 OR Q30]

Would you support or oppose keeping the protection for coastal protection spending in the state constitution?

Support	8	35
Oppose	7	7
Don't know/Refused	[VOL.]	3

## Q29. [RESPONDENTS WHO SAID "Support" FOR Q26 ARE RANDOMLY ASSIGNED TO Q27, Q28, Q29 OR Q30]

Would you support or oppose keeping the protection for transportation infrastructure spending in the state constitution?

Support	77
Oppose	18
Don't know/Refused [VOL.]	5

## Q30. [RESPONDENTS WHO SAID "Support" FOR Q26 ARE RANDOMLY ASSIGNED TO Q27, Q28, Q29 OR Q30]

Would you support or oppose keeping the protection for the homestead exemption, which reduces the property taxes homeowners pay, in the state constitution?

Support	79
Oppose	12
Don't know/Refused [VOL.]	9

