



MEMORANDUM

TO: ONE NATION & CROSSROADS GPS
FROM: ROBERT BLIZZARD
SUBJECT: KEY FINDINGS FROM TAX REFORM FOCUS GROUPS
DATE: OCTOBER 5, 2017

METHODOLOGY

As you know, Public Opinion Strategies recently completed a series of focus groups in three states regarding upcoming legislation on tax reform. The purpose of these groups was to assess current attitudes and effective messages on tax reform with key constituencies (GOP/INDEPENDENT/Blue Collar Trump Voters):

Date	Location
September 18 th	Las Vegas, NV
September 19 th	Nashville, TN
September 26 th	Cleveland, OH

KEY FINDINGS *The time to start messaging on tax reform with a coherent,*

consistent voice is now. Given what happened with the failed repeal-and-replace of ObamaCare, the Administration and Congress need to speak with one voice on the merits of a tax reform plan, rather than publicly hash out unsettled details and intraparty disputes.

- ***With GOP Voters President Trump is the most effective messenger on tax reform.***
GOP voters strongly approve of the President, but are much more negative on the job Congress is doing in Washington. With virtually no major legislative accomplishments in the President’s first eight months on the job, voters are fed up and place the blame almost squarely on the shoulders of Congress. If tax reform goes the way of repeal-and-replace, it is Congress who will take the lion’s share of the blame from the public.
- ***Most voters believe comprehensive tax reform is long overdue.***
When voters are informed it’s been over 30 years since there’s been comprehensive tax reform, many are “disgusted.” This sentiment reflects frustration with a “do-nothing Congress” as respondents express anger that “we are electing people to deal with this, and they’re clearly not.” There’s overwhelming agreement that the country is overdue for substantial changes to our tax system.

- ***Voters are looking for a “fairer” system, not just a “simpler” one.***

The current federal tax system is viewed as both “confusing” and “unfair.” Although the goal of a “simpler” tax code is appealing, voters in these groups especially support reforms that make the system more “fair,” i.e. leveling the playing field and ensuring every American will pay their fair share.

Rather than shrink from the populist rhetoric of fairness, we should be using that language to appeal to blue-collar and swing constituencies who can be persuaded on this issue.

- ***At the forefront of tax reform should be the “forgotten America” – our nation’s middle class and local small businesses.***

Voters believe the middle class is getting crushed by the current tax system, and that’s the reason why many pockets of the country have failed to improve economically.

They believe the wealthy are doing well because they know how to take advantage of the system and its many loopholes; and at the same time, these voters believe the poor are also benefiting from the system by not paying for all the services and assistance they get from government. The middle class is left out to dry, and bears too large a burden.

- ***Focus on providing more take-home pay for the middle class.***

When talking about how tax reform will help middle-income Americans, the focus should be on delivering “more take-home pay” for the middle class, as voters find that more compelling than giving them a “pay raise” or proving them with “tax relief.”

- ***Making the sale that corporate tax cuts will help the economy is not a slam dunk.***

Voters in higher-educated, higher-income areas like Nashville may agree that cutting taxes for large businesses will result in more jobs and increased investment.

But, voters in blue-collar areas from places like Las Vegas and Cleveland don’t buy it – they are just as likely to believe businesses and their owners will pocket any additional money and not re-invest it to create new jobs or provide higher pay for current employees. (These voters believe the most efficient way to drive economic growth is to put more money in their own pockets via a tax cut.)

- ***The fault lines among GOP() voters fall along education and income.***

Higher-educated, higher-income GOP voters take a more pro-globalization view of the economy and tax reform. They can be persuaded that cutting corporate taxes will help all and make our country more competitive across the world.

On the other hand, more blue-collar GOP voters are “America First,” believing we need to bring overseas profits home and focus on our own economic interests.

- ***Business tax cuts should be framed as helping small businesses.***

Nearly all voters agree that small businesses are the ones who need help as they were the most harmed by the Obama years and now need help to recover. Voters across all three locations believe that cutting taxes for small businesses will also help their local economies and communities, generate job growth and make “Main Street” great again.

Further, getting rid of tax loopholes is also seen as benefiting small businesses and leveling the playing field, as big corporations are able to take advantage of loopholes to reduce their tax burden, while small businesses are not.