

April 1, 2011

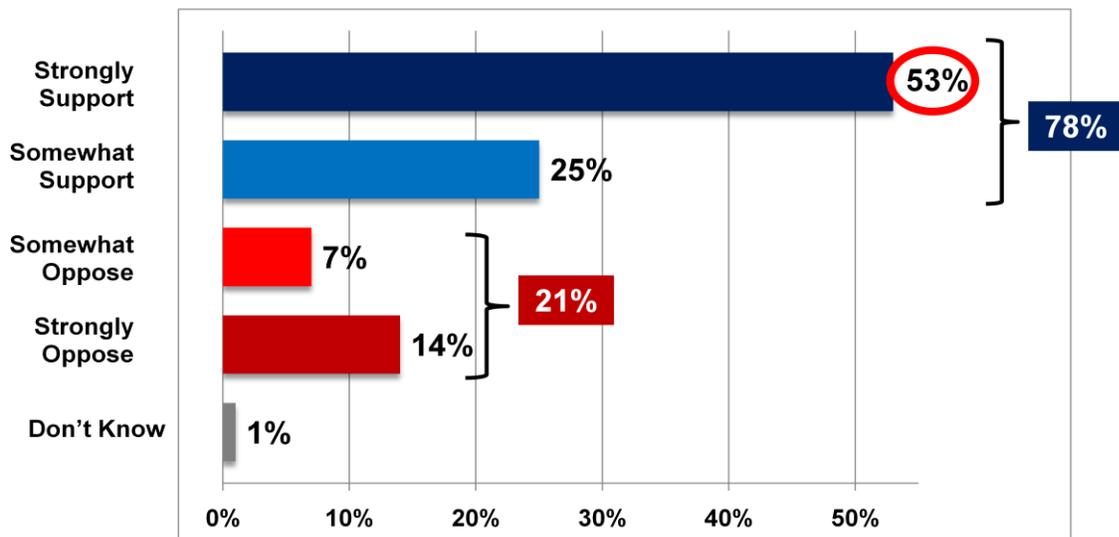
To: Interested Parties
From: Ben Tulchin and Ben Krompak, Tulchin Research
Re: **California Voters Overwhelmingly Support Raising Taxes on the Wealthy to Help Balance the Budget and Prevent Deeper Cuts to Essential Services**

Given the recent events in Sacramento that saw budget negotiations collapse and efforts launched to find a Plan B, a recent statewide survey of likely voters in California has discovered a proposal that could help solve the state’s budget mess – raising taxes on the wealthy. Notably, **the poll finds overwhelming support from California voters for a proposal to raise income taxes by 1% on the top 1% of Californians – known as “1% on the 1%”** - in order to help balance the state budget and prevent deeper cuts to essential services.

Specifically, nearly eight out of ten Californians (78%) support raising taxes by 1% on the top 1% of taxpayers (defined as those making over \$500,000 a year based on income). This support includes **a majority of all voters (53%)** who say they **strongly** support this proposal. Only one out of five (21%) likely voters opposes the proposal and very few do not have an opinion on it as just 1% of the electorate is undecided.

STRONG SUPPORT FOR RAISING TAXES ON THE WEALTHY

*“Please tell me whether you would support or oppose the following option in order to balance the budget and prevent deeper cuts to services:
Raise income taxes on those making more than \$500,000 a year by 1%.”*



Overwhelming Bipartisan Support for Raising Taxes on the Wealthy. Support for the 1% on the 1% proposal extends across the political spectrum, with Democrats, Republicans, and independents all favoring it by wide margins.

- Democrats lead in enthusiasm for the proposal, at 89% who support it to only 10% who are opposed.
- Independents back the proposal by a nearly 4-to-1 margin, with 79% supporting to only 21% opposed.
- Republicans also strongly support the proposal by a 22-point margin, with 60% of Republicans saying they support the measure to 38% who oppose it.

| 1% Tax Increase On \$500,000+ Earners – Support By Party | | | | |
|--|-------------------|--------------------|------------------|------------------|
| <i>“Please tell me whether you would support or oppose the following option in order to balance the budget and prevent deeper cuts to services: Raise income taxes on those making more than \$500,000 a year by 1%.”</i> | | | | |
| | All Voters | Republicans | Democrats | DTS/Other |
| Support | 78% | 60% | 89% | 79% |
| Oppose | 21% | 38% | 10% | 21% |
| Undecided | 1% | 2% | 1% | 0% |
| Support – Oppose | +55 | +22 | +79 | +58 |

Strong Support for Tax Proposal among All Ethnic Populations. The poll also found that raising taxes by 1% on the top 1% also finds solid support among voters of all races and ethnic backgrounds. Asian voters are strongest in their support of the proposal at 92% supporting to 8% opposed, followed by African American voters at 88% supporting to 12% opposed. Caucasian and Latino voters back this tax proposal by nearly identical 3-to-1 margins, with 76% of whites and 75% of Latinos supporting it.

| 1% Tax Increase On \$500,000+ Earners – Support By Race/Ethnicity | | | | | |
|--|-------------------|--------------|---------------|--------------|--------------|
| <i>“Please tell me whether you would support or oppose the following option in order to balance the budget and prevent deeper cuts to services: Raise income taxes on those making more than \$500,000 a year by 1%.”</i> | | | | | |
| | All Voters | White | Latino | Black | Asian |
| Support | 78% | 76% | 75% | 88% | 92% |
| Oppose | 21% | 23% | 23% | 12% | 8% |
| Undecided | 1% | 1% | 1% | 0% | 0% |

*Totals may not add up to 100% due to rounding.

All Corners of the State Support the 1% on the 1%. Additionally, this progressive tax proposal finds favor in every region of the state.

- The Bay Area leads the way in support with 87% voters in favor of the proposal to just 13% opposed.
- Voters in LA County support the increase by a margin of 79% to 20% while voters in the Greater LA Area outside of LA County support it 73% to 25%.
- In the San Diego area, voters support the proposal by a margin of 76% to 24%.
- Even in the traditionally more conservative inland Greater Central Valley region (which includes both the Sacramento Valley and the San Joaquin Valley), 71% of voters support the proposal compared with just 28% who oppose it.

| 1% Tax Increase On \$500,000+ Earners – Support By Region | | | | | | |
|--|-------------------|------------------|------------------------|-----------------|------------------|-------------------------------|
| <i>“Please tell me whether you would support or oppose the following option in order to balance the budget and prevent deeper cuts to services: Raise income taxes on those making more than \$500,000 a year by 1%.”</i> | | | | | | |
| | All Voters | LA County | Greater LA Area | Bay Area | San Diego | Greater Central Valley |
| Support | 78% | 79% | 73% | 87% | 76% | 71% |
| Oppose | 21% | 20% | 25% | 13% | 24% | 28% |
| Undecided | 1% | 1% | 2% | 1% | 0% | 1% |

**Totals may not add up to 100% due to rounding.*

In conclusion, **this poll clearly demonstrates that California voters want to raise taxes on the wealthy to help balance the budget and prevent deeper cuts to essential services.** Specifically, there is overwhelming support among California voters for the proposal to raise income taxes by 1% on those making over \$500,000 a year – the 1% on the 1%. Support for this proposal is both broad and deep and crosses party, ethnic, and geographic lines. Furthermore, this proposal garners much higher support than recent public polling found for the previous tax package aimed at balancing the budget. This is due, in part, to the fact that these findings show that **California voters want the wealthy to pay their fair share in taxes so the state can invest in services that help middle class families, such as education and health care.**

Survey Methodology: From March 13 – March 16, 2011, Tulchin Research conducted a statewide telephone survey in California among 800 likely November 2012 voters. Interviews were conducted by live professional callers and the sample included both landline and cell phone numbers. The margin of error for this survey is +/- 3.5 percentage points.