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Oklahomans Embrace Income Tax Cuts

By Pat McFerron, President, Cole Hargrave Snodgrass and Associates, Inc.

By an almost two-to-one margin (60% favor vs. 31% oppose), Oklahoma voters favor a move to lowering the state income tax to 5%. Support is led by Republicans (71% favor vs. 23% oppose) and those who identify with the Tea Party (74% favor vs. 16%). However, it is also supported by a strong plurality of registered Democrats (49% favor vs. 38% oppose) and even those Democrats with a history of participating in Democrat primary elections (48% favor vs. 39% oppose).

Also striking is that support is actually a little bit higher among the less affluent. Among Oklahomans living in homes with an income of \$40,000 or less, 62% support this reduction while 59% of those earning more than \$80,000 support it. In addition, this reduction is supported by all age groups with 63% of those under the age of 45 supportive as are 60% of senior citizens.

While all regions of the state show majority support for a tax cut, not all regions are equally supportive. The Tulsa media market is the least supportive (56% favor vs. 35% oppose), though in the Lawton area (which borders Texas - a state with no income tax) we see very strong support (72% favor vs. 16% oppose). 49% of all voters live in the Oklahoma City market and are supportive of the reduction by 62%.

In addition to the overall support, <u>voter intensity</u> is also on the side of the tax reduction. 46% of voters say they "strongly" favor this cut and only 21% "strongly" oppose. Among Republican primary voters, 57% strongly support. More Democrat primary voters strongly support it (38%) than strongly oppose (27%).



The Oklahoma leaders in control know their voters. Of those believing the legislature is doing an excellent job 69% support the tax cut, and 73% of those saying the legislature is doing a good job also support the tax cut. Of the 18% who give the legislature a poor rating, only 28% support it. As such, the legislature actually risks very little by supporting a tax cut and has much to gain.

When looking at Governor Fallin, we see a similar dynamic. The very popular governor has 74% of

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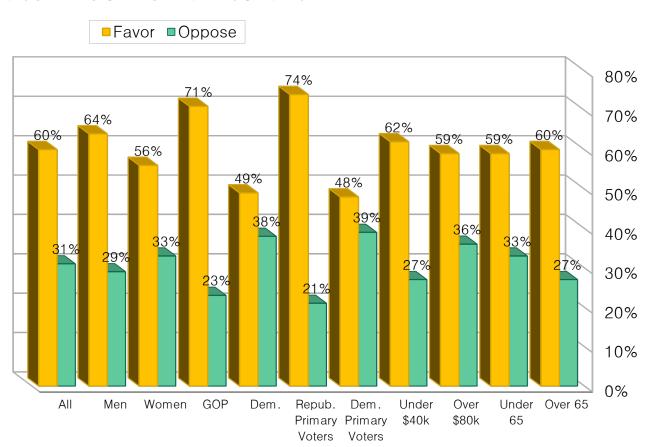
those with a favorable impression of her supporting a tax cut. Among those who have yet to form an opinion of the governor, a plurality support a tax cut (46% favor and 38% oppose).

In the past, we have looked at issues related to what a tax cut means to government and have found that Oklahomans become a little more reluctant when the issue is tied to the cutting of government programs. This remains true today. When asked if they would like to see a tax cut that was revenue neutral or one that cut spending, voters are split with 44% wanting the tax cut to be revenue neutral and 39% wanting it to cut government funding. No surprise, those originally wanting the tax cut prefer to cut government funding (34% revenue neutral and 55% cut funding), while those opposed to a cut want it to be revenue neutral (66%).

Among critically important groups to legislators there is great support for cutting funding - Republican primary voters (55% cut funding) and those supportive of the Tea Party (60%).

A flip side to the government cut argument that we have not discussed as much in our polling is the positive effect a tax cut could have on the economy. The introduction of this message shifts attitudes significantly toward supporting a cut. 68% of Oklahoma voters say that cutting the income tax to 5% would help the economy. This includes 78% of Republicans and 58% of Democrats. Clearly, if the tax cut debate can be centered to the positive impacts on the economy, those who support it will be hailed. Limiting risk of backlash for cutting government programs, this perspective is more politically beneficial for most elected officials.

Lower State Income Tax to 5%



The Income Tax Question

 Do you favor or oppose lowering the state income tax from the current 5.25% to 5%? (After response, ask:) Would you say you strongly (favor/ oppose) or only somewhat (favor/ oppose)?

Strongly favor	46%
Somewhat favor	14%
Somewhat oppose	10%
Strongly oppose	21%
Undecided/Depends (vol.)	9%

Some people say (Rotate arguments)... While other people say.... (Read remaining argument)

That if Oklahoma cuts the income tax, it needs to be revenue neutral and be offset by either raising other taxes and fees or eliminating tax credits. They say government needs more funding for programs, not less and that cutting these programs would be wrong.

That if Oklahoma cuts the income tax, it should purposefully reduce the amount of income to the state government. They say one of the benefits of cutting taxes is that it will help keep the size of government in check by keeping the government from having so much of our money.

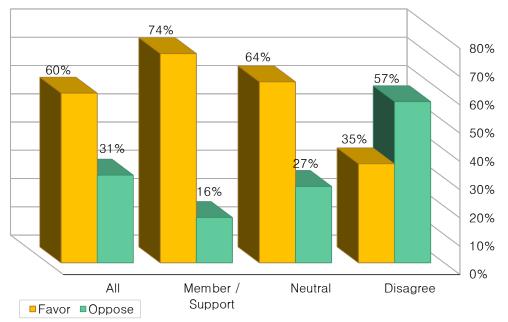
What do you think? Do you think an income tax cut should reduce the amount of money in government or do you think it should only be done if it does not change the amount of money in government?

Stay revenue neutral	44%
Cut funding of government	39%
Undecided (vol.)	17%

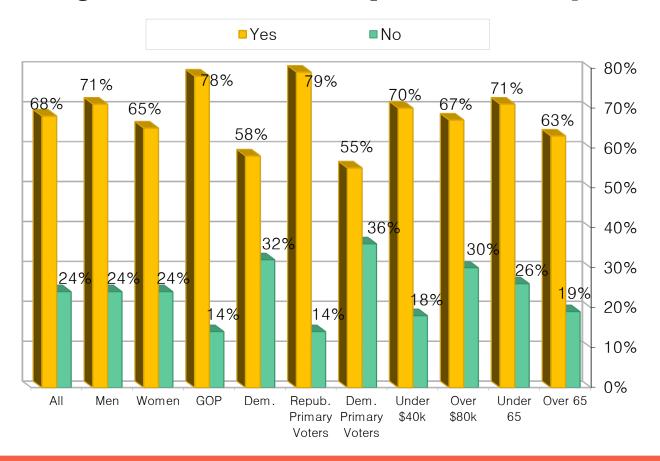
3. Do you agree or disagree with the following statement: By cutting the state income tax, Oklahoma can improve its economy by both allowing Oklahomans to keep more of their money that they will then spend and by being able to better compete with other states when it comes to growing jobs. (After response, ask:) Would you say you strongly (agree/ disagree) or only somewhat (agree/disagree)

Strongly agree	44%
Somewhat agree	24%
Somewhat disagree	9%
Strongly disagree	15%
Undecided (vol.)	9%

Lower State Income Tax By Tea Party Support



Agree: Cutting Income Tax Will Improve Economy





During his more than 19 years with Cole Hargrave Snodgrass & Associates, Pat McFerron has supervised polling and telephone voter contact programs in more than 40 states – including polling for numerous successful gubernatorial, U.S. Senate, congressional and legislative clients throughout the nation. McFerron has been the pollster for all of the recent successful OKC initiatives, including Big League City, MAPs for Kids and MAPs 3, as well as Oklahoman's historic right-to-work effort and many other state questions. McFerron also oversees marketing research projects for CHS clients who range from Fortune 100 companies to non-profits, universities and entrepreneurial start-ups.

Subscriptions to The Sooner Survey are \$240 per year and may be purchased by contacting Cole Hargrave Snodgrass and Associates, Inc.

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