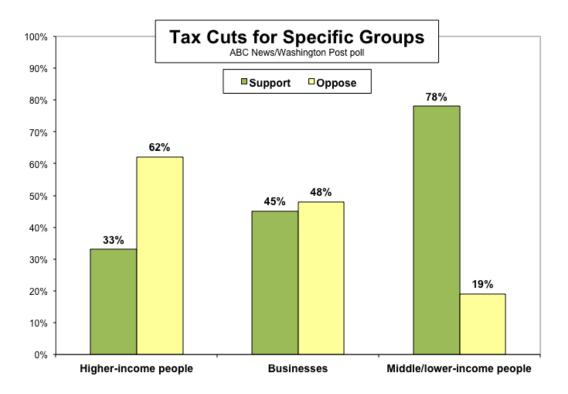
Two-Thirds Say Large Corporations Pay Too Little in Federal Taxes

Cutting corporate taxes looks like a hard sell for Donald Trump and Republican Party leaders: Sixty-five percent of Americans in a new ABC News/Washington Post poll say large business corporations pay too little in taxes.

Given what they know about it, the public opposes Trump's tax plan by 44-28 percent, with a substantial 28 percent undecided. Half expect the plan to reduce taxes on the wealthy, while just 10 percent think it'll reduce taxes on the middle class. (A quarter expect equal treatment.)

A tax break for the wealthy would be out of step with public opinion: Overall, a broad 78 percent favor trimming income taxes on middle- and lower-income Americans, while just 33 percent support reducing taxes on higher-income individuals. The public splits when it comes to cutting taxes paid by businesses in general, 45-48 percent, support-oppose.

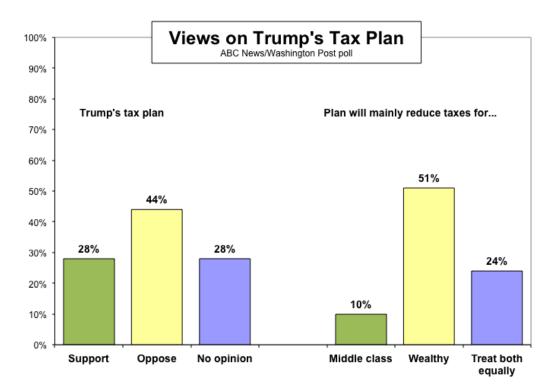


Seventy-three percent in this poll, produced for ABC by <u>Langer Research Associates</u>, also say the current tax system favors the wealthy, up 5 points since 2012; 55 percent feel that way strongly. Just 5 percent say it favors the middle class, down 4 points. Seventeen percent say it treats both groups about equally.

Trump is expected to make an opening pitch for his tax plan in a speech Wednesday.

GROUPS – Views on Trump's plan divide along party lines. Just 7 percent of Democrats and 5 percent of liberals support it, vs. 60 percent of Republicans and 52 percent of conservatives. Independents and moderates come in between the two parties and ideologies, with 29 and 25 percent support, respectively.

Support also is related to household income. A mere one in five of those with household incomes less than \$50,000 support the plan, vs. 36 percent of those with incomes of \$50,000 or more.



In addition to Democrats and liberals, opposition peaks among blacks (70 percent), Hispanics (55 percent), urbanites (51 percent) and adults age 39 and younger (50 percent).

Most of these groups also are more likely than their counterparts to think Trump's plan will mainly reduce taxes for the wealthy. (The exceptions are Hispanics, who are about as likely as whites to say so, and urbanites, who differ from rural residents but not suburbanites.)

There's a similar gender gap. Men are 13 points more likely than women to support Trump's plan and 12 points more likely to think it'll treat both the wealthy and the middle class about equally. Women are 12 points more likely to think the plan'll help the wealthy.

Trump has expressed support for a 15 percent corporate tax rate; it's currently 35 percent and Republican congressional proposals so far suggest a rate of 20 percent. As noted, though, two-thirds think corporations pay too little in taxes. Among those, half oppose Trump's plan (including 39 percent strongly opposed) while just 21 percent support it.

Even half of conservatives and almost half (47 percent) of Republicans say corporations pay too little. They're also the most likely to say corporations pay too much, but only 17 percent in both groups hold this view, as do 15 percent of those with \$100,000-plus incomes.

Similarly, Republicans and conservatives are more likely to support tax reductions for businesses than other party and ideological groups. There is, however, bipartisan support for reducing taxes on middle- and lower-income individuals.

| | | luce taxes on | TT i sele e se |
|------------------|---------------------|---------------|------------------|
| Γ | Mid/lower income | Businesses | Higher income |
| All | 78% | 45% | 33% |
| Democrats | 75 | 34 | 24 |
| Independents | 77 | 42 | 35 |
| Republicans | 80 | 62 | 40 |
| | | | |
| Liberals | 78 | 29 | 22 |
| Moderates | 78 | 47 | 32 |
| Smwt. cons. | 78 | 54 | 42 |
| Very cons. | 75 | 60 | 47 |
| Tax system: | | | |
| Favors wealthy | 80 | 40 | 29 |
| Equal/favors | | | |
| middle class | 71 | 60 | 46 |
| | | | |
| Corporations pay | <i>[</i> : | | |
| Too little | 80 | 36 | 30 |
| Fair/too much | 72 | 66 | 43 |
| | | | |

CURRENT SYSTEM – When it comes to perceptions of the current U.S. tax system, views are steady across income groups. Sixty-eight to 78 percent express this opinion across other groups as well (gender, race, region, age, education and urban status). The biggest gap is between men and women, with women 10 points more likely to say the system favors the wealthy.

Democrats and liberals also are more likely to say the tax system favors the wealthy than their Republican and conservative counterparts – there's a 34-point gap between partian groups (89 vs. 55 percent) and a 29-point gap between ideological groups (88 vs. 59 percent) in this view.

This is strongly related to perceptions on corporate tax rates. Those who say corporations pay too little are twice as apt as others to feel strongly that the tax system favors the wealthy.

METHODOLOGY – This ABC News/Washington Post poll was conducted by landline and cellular telephone Sept. 18-21, 2017, in English and Spanish, among a random national sample of 1,002 adults. Results have a margin of <u>sampling error</u> of 3.5 points, including the design effect. Partisan divisions are 31-23-36 percent, Democrats-Republicans-independents.

The survey was produced for ABC News by <u>Langer Research Associates</u> of New York, N.Y., with sampling, data collection and tabulation by Abt Associates of Cambridge, Massachusetts. See details on the survey's methodology <u>here</u>.

Analysis by Christine Filer.

ABC News polls can be found at ABCNEWS.com at http://abcnews.com/pollingunit.

Media contacts: Heather Riley or Julie Townsend.

Full results follow.

1-2, 4-10, 12-17, 23-29 previously released; 3 and 11 held for release.

*= less than 0.5 percent

18. On another subject, given what you've heard or read about it, do you support or oppose Trump's tax plan? Do you feel that way strongly or somewhat?

| | | Support | : | | Oppose | | No |
|---------|-----|----------|----------|-----|----------|----------|---------|
| | NET | Strongly | Somewhat | NET | Somewhat | Strongly | opinion |
| 9/21/17 | 28 | 15 | 14 | 44 | 11 | 32 | 28 |

19. Do you think the current U.S. tax system favors the (middle class), favors the (wealthy), or treats both groups about equally? Do you think it favors the middle class/wealthy strongly or somewhat?

| | Fá | avors middle | class | | Favors weal | lthy | Treats both | No |
|---------|-----|--------------|----------|-----|-------------|----------|-------------|-------|
| | NET | Strongly | Somewhat | NET | Somewhat | Strongly | equally | opin. |
| 9/21/17 | 5 | 3 | 2 | 73 | 18 | 55 | 17 | 5 |
| 2/4/12 | 9 | 5 | 4 | 68 | 12 | 56 | 19 | 4 |

20. How about Trump's tax plan? Do you think it mainly will reduce taxes more for the (middle class), mainly reduce taxes more for the (wealthy), or treat both groups about equally?

| | Reduce taxes on | Reduce taxes | Treat both | No |
|---------|------------------|----------------|------------|---------|
| | the middle class | on the wealthy | equally | opinion |
| 9/21/17 | 10 | 51 | 24 | 15 |

21. Overall, do you think large business corporations pay their fair share in taxes, pay too (little), or pay too (much)?

| | Pay | Pay | Pay | No |
|---------|------------|------------|----------|---------|
| | fair share | too little | too much | opinion |
| 9/21/17 | 17 | 65 | 11 | 7 |
| 1/15/15 | 19 | 65 | 9 | 7 |

22. Do you support or oppose reducing income taxes paid by [ITEM]? How about income taxes paid by [NEXT ITEM]?

9/21/17 - Summary Table

| | Support | Oppose | No opinion |
|---------------|---------|--------|------------|
| a. businesses | 45 | 48 | 7 |

| b. | middle and lower-income p | eople 78 | 19 | 3 |
|----|---------------------------|----------|----|---|
| с. | higher-income people | 33 | 62 | 5 |

Trend:

a. businesses

| | Support | Oppose | No opinion |
|---------|---------|--------|------------|
| 9/21/17 | 45 | 48 | 7 |
| 1/15/17 | 48 | 45 | 7 |

b. middle and lower-income people

| | Support | Oppose | No opinion |
|---------|---------|--------|------------|
| 9/21/17 | 78 | 19 | 3 |
| 1/15/17 | 75 | 22 | 3 |

c. higher-income people

| | Support | Oppose | No opinion |
|---------|---------|--------|------------|
| 9/21/17 | 33 | 62 | 5 |
| 1/15/17 | 36 | 61 | 3 |

*** END ***