

FEDERAL BUDGET FY 2019 SURVEY
SEPTEMBER 2018

- QUESTIONNAIRE -

The Program for Public Consultation surveyed online a total of 414 voters from New York's 25th Congressional district from August 27 through September 11, 2018. The sample was provided by Precision Sample and Survey Sampling International from their opt-in internet panel. Respondents were weighted by age, gender and partisan identification.

Introduction

In this survey you will have the opportunity to propose how the US federal budget should be designed for 2019. Congress is currently working on this and you will have the opportunity to make your recommendations for how the decision makers in Washington DC spend our tax dollars

You will first be presented with what is called the "**Discretionary Budget**," which is the part of the budget that Congress decides on each year. It does not cover what is called "mandatory spending," which includes such areas as Social Security and Medicare, because the federal government already has dedicated funding sources to pay for them - like the Social Security FICA tax. For the Discretionary Budget you will see the amounts of spending currently authorized by Congress for 2018 for 31 different areas of "discretionary" spending. You will then be able to increase or decrease them as you see fit.

You will also explore what are called "**General Revenues**." This is income the government gets from taxes like income taxes, corporate taxes, and others that can be used for any purpose. You will be able to raise or lower these taxes as you see fit.

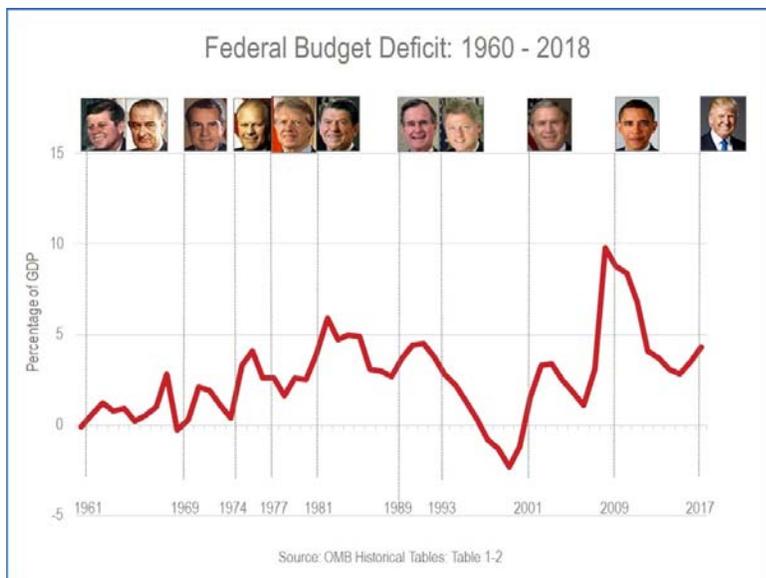
As you may know, Congress recently passed a new law that made many changes to taxes for 2018. You will be shown the amount of taxes under the new law, as well as what they were previously, as you make your decisions about what you think the taxes should be.

As you may know, the government is projected to have a \$636 billion budget deficit in 2018 because spending is projected to exceed revenues. As you go along and make changes to spending or taxes, you'll see the effect of your decisions on the size of the projected **budget deficit** - excluding the amount of the deficit related to Social Security and Medicare (which have their own funding sources).

But before we begin, we would like to have you consider four of the major issues that come up in discussions about the federal budget.

The first issue is about how important it is to address the budget deficit - the amount the government spends over and above what it takes in in revenues. Here is some background on the deficit.

As you can see in the chart, the deficit has gone up and down over the years. During the last economic



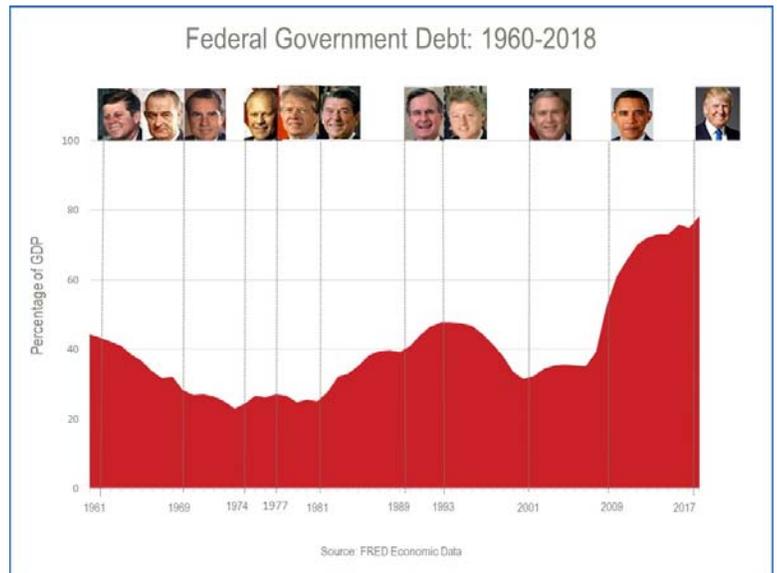
downturn (2007-2010), the federal government ran exceptionally large deficits. Afterwards, as business and individual incomes rose and the amount of taxes collected increased, this deficit came down quite a lot. But more recently, it has begun to increase again.

In this graph, you can see how much the deficit has been in terms of a percentage of GDP, or gross domestic product. GDP is the total value of everything produced by all people and companies within a country.

When the Federal government runs a deficit, it has to borrow money to cover it. It does this primarily by selling Treasury bills (also called T-bills), which are like IOUs that have to be repaid with interest. These Treasury bills can be bought by anyone. Many American citizens buy these Treasury bills. Some foreign governments, especially China, have bought quite a lot as well.

In the chart, you can see the amount of debt the federal government has had over time as a percentage of GDP. This percentage can go down when there is a budget surplus, but also when the economy grows. It goes up when there is a budget deficit (requiring more borrowing) or when the economy goes into recession.

So now, as you know, there is a debate about how high a priority it should be to reduce the federal government deficit. Here are some arguments on this issue. For each one, please select whether you find it convincing or unconvincing:



[Q1.] We have been running huge deficits for years now, putting the national debt on a path to unsustainable heights. The government cannot continue to spend beyond its means indefinitely. The debt held by the federal government is \$15.6 trillion - over three quarters of the size of the entire U.S. economy, and the Congressional Budget Office projects it will grow over the next decade. This debt is dragging down our economy. Uncertainty over taxes, inflation, and interest rates is hurting investment and this hurts job creation. Once interest rates rise, just paying the interest will swamp the budget, crowding out all other needs. We need to make reducing the deficit a top priority.

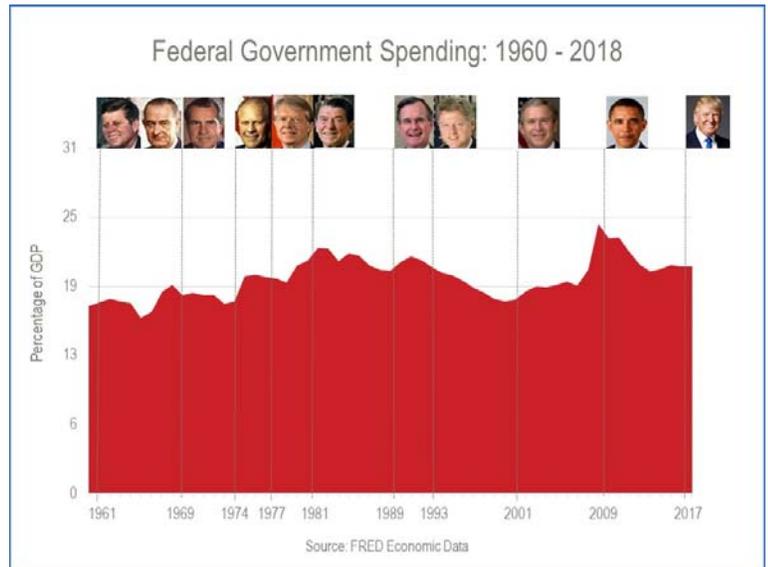
	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	37.0%	45.8%	82.8%	12.4%	3.2%	15.6%	1.5%
NY25-GOP	37.5%	46.4%	83.9%	12.7%	2.2%	14.9%	1.2%
NY25-Dems	34.8%	45.4%	80.2%	14.0%	4.4%	18.4%	1.4%

[Q2.] It is important to reduce the deficit, but there are some other things that are more important right now. We need to make sure that the economic recovery continues and that unemployment continues to go down, including for those stuck in part-time work. Also, there are still many needs to be met and crucial investments for the government to make for our future that will create jobs. Cutting government spending too sharply will slow the economy and throw people out of work. This will reduce tax revenues. Our top priority should be making sure that everybody who is able and willing to work can work and can work as much as they want.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	29.5%	42.3%	71.8%	21.2%	5.2%	26.4%	1.8%
NY25-GOP	28.7%	43.4%	72.1%	22.6%	2.7%	25.3%	2.6%
NY25-Dems	32.3%	36.4%	68.7%	23.3%	6.7%	30.0%	1.3%

Another major issue is about the size of the federal government and how active it should be.

In 2017 the entire Federal government budget was 22% of the economy (gross domestic product). The size of the federal budget as a percentage of the economy has varied over the last decades with changes in the level of government spending and the size of the economy. As you can see, during the 2007-2010 economic downturn there was a spike because the economy went into a recession and because the government spent more on things like unemployment benefits and stimulating the economy, for example by spending more on roads and bridges.



So now, here are two arguments on the size of the federal government.

[Q3.] Too often, people think government is the solution, when it really is the problem. The federal government is susceptible to waste, fraud, and abuse. We've all seen how government can fail, whether by spending too much money or imposing heavy-handed regulations. Too often it gets involved in things that are best left to the private sector.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	35.2%	37.8%	73.0%	17.9%	8.4%	26.3%	0.7%
NY25-GOP	52.5%	37.0%	89.5%	9.8%	0.7%	10.5%	0.0%
NY25-Dems	20.5%	36.7%	57.2%	26.8%	15.2%	42.0%	0.8%

[Q4.] We shouldn't just cut government for its own sake. As a share of the economy, these days the federal government is at about the average for the last four decades and a bit smaller than it was under Ronald Reagan. More importantly, the government does many necessary things and we cannot just assume that the private sector will take care of them. People in government work to make sure that our food, air, and water are safe; that we have national parks; that we will be secure when we retire; that our airplanes are safe; and that we are protected from threats at home and from abroad.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	23.8%	45.4%	69.2%	24.0%	6.3%	30.3%	0.4%
NY25-GOP	14.9%	42.5%	57.4%	34.8%	7.8%	42.6%	0.0%
NY25-Dems	32.7%	44.8%	77.5%	18.0%	3.6%	21.6%	0.9%

Another issue is about how important it is for the government to spend money on public investments, such as scientific and medical research, development of new sources of energy, development and maintenance of roads and bridges, and educating young people who become the workforce.

Here are two arguments on this issue.

[Q5.] When making up a budget, we must not scrimp on investing in the future, because such investments will bring big returns later on. Investments in scientific discoveries, medical breakthroughs, and new sources of energy, upgrading the work force, and improving our transportation infrastructure are key for America to be prosperous, and to compete with rising nations in the decades to come. We cannot count on corporations, focused on short-term profits, to provide these important things for the common good. Government investments create good jobs in the short run, as well as a higher quality of life in the long run.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	27.3%	46.9%	74.2%	21.2%	4.0%	25.2%	0.6%
NY25-GOP	19.3%	53.3%	72.6%	23.2%	3.5%	26.7%	0.7%
NY25-Dems	34.8%	40.7%	75.5%	21.4%	3.1%	24.5%	0.0%

[Q6.] Investment in the future is important, but the private sector is much better at it than government. The government is inefficient and wasteful. And when government officials “invest” taxpayers’ money they think more about what is good for their short-term political interests than the long-term interests of the country. Thus, there is no coherent and stable plan. Furthermore, when the government spends money on its pet projects, this pulls capital away from the private sector; those resources would be better left free for the natural innovation that responds to market demand.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	29.2%	37.2%	66.4%	23.9%	9.7%	33.6%	0.0%
NY25-GOP	43.0%	40.2%	83.2%	15.6%	1.2%	16.8%	0.0%
NY25-Dems	17.2%	34.8%	52.0%	30.8%	17.1%	47.9%	0.0%

Another major issue for the budget is how much the US spends on defense or the military, which makes up about half of all discretionary spending.

Here are two arguments on this issue.

[Q6a.] The Pentagon keeps thinking we need to be the world’s policeman, leading us to have this huge defense budget that is three times bigger than all of our potential enemies’ combined. Even China and Russia spend a small fraction of what we do. It is now bigger than it has ever been, even at the height of the Cold War under President Reagan. We can deal with global threats by working together with our allies and sharing the burden. Furthermore, there is a lot of waste in the defense budget. Defense contractors persuade lawmakers to approve expensive weapons that aren’t really needed by giving them large campaign contributions. Clearly there is room to cut the defense budget while still being, by far, the most powerful and secure country in the world.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	35.7%	41.6%	77.3%	14.8%	7.7%	22.5%	0.2%
NY25-GOP	28.4%	40.4%	68.8%	19.3%	12.0%	31.3%	0.0%
NY25-Dems	45.1%	41.4%	86.5%	9.1%	4.1%	13.2%	0.4%

[Q6b.] America is threatened by hostile forces in many corners of the world. We should have the ability to quickly project overwhelming military power anywhere. Much of our military equipment needs to be revamped. If major conflicts were to break out in more than one place, we would not be able to deal with them all. We do have deficit problems, but national defense is the first responsibility of government and it is too important to let budget concerns dictate our level of spending. It should not be shortchanged. Furthermore, cutting defense spending would throw a lot of people out of work. We are spending less than 5 percent of our economy on defense - clearly we can and need to spend more.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	21.8%	31.0%	52.8%	33.3%	13.1%	46.4%	0.9%
NY25-GOP	32.3%	35.6%	67.9%	27.9%	3.5%	31.4%	0.7%
NY25-Dems	13.4%	24.1%	37.5%	39.8%	21.4%	61.2%	1.3%

[SETTING DISCRETIONARY SPENDING]

Now, as we mentioned at the beginning, you will work with the spending items in the Discretionary Budget that Congress considers and adjusts each year. Then you will work with the taxes that make up the government's general revenues - those revenues that Congress can vote to use for any purpose.

Presented below are the amounts spent in fiscal year 2017 and the amounts projected to be spent in 2018 for 31 major areas of the Discretionary Budget. For each area of government spending, please enter your recommended amounts, adjusting them up or down or leaving them the same.

In the box on the side, you will see the projected deficit for 2018. As you go along, you will see the effect of the changes you make on the deficit. Every time you increase spending, the deficit will go up. Every time you reduce spending, the deficit will go down. **If you recommend eliminating spending for an area, you must enter "0" for that spending item.**

Later you will also have the opportunity to make changes in revenues or taxes. These, too, can increase or decrease the deficit. You are not required to eliminate the deficit. You should make the budget that you think is best.

[Note: The term 'majority change' refers to the amount that a majority of respondents changed the spending area. This includes individuals who made changes over and above this amount as well.]

Discretionary Federal Spending							2017 Budget (Billions)	Projected 2018 (Billions)
[Q7.] Transportation:								
[Q7a.] Highways: building and maintaining interstate highways, implementing safety standards							46	46
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	46.0	0	36.5%	38.6%	22.8%	2.2%	
	NY25-GOP	46.0	0	41.4%	35.4%	22.7%	0.5%	
	NY25-Dems	46.0	0	35.6%	35.3%	24.9%	4.3%	
[Q7b.] Air travel and railroads: maintaining and administering airports and railways, air traffic control, implementing safety standards							37	35
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	35.0	0	34.7%	31.9%	31.0%	2.4%	
	NY25-GOP	35.0	0	41.6%	35.4%	22.6%	0.5%	
	NY25-Dems	35.0	0	28.7%	26.5%	40.1%	4.7%	
[Q7c.] Mass transit: maintaining Amtrak, developing and maintaining intercity high-speed rail, implementing safety standards							12	13
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	12.0	-1	60.5%	16.3%	21.0%	2.2%	
	NY25-GOP	12.0	-1	68.5%	13.3%	17.8%	0.5%	
	NY25-Dems	12.0	-1	53.4%	16.9%	25.4%	4.3%	
[Q8.] Federal Administration of Justice:								
[Q8a.] Enforcement of federal laws (including FBI, ATF), federal court system for crimes under federal law, primarily drug trafficking, plus fraud and certain violent crimes							30	35
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	31.0	-3	68.1%	19.2%	10.5%	2.2%	
	NY25-GOP	32.0	-3	63.4%	22.5%	13.6%	0.5%	
	NY25-Dems	30.0	-5	73.2%	13.6%	8.8%	4.3%	
[Q8b.] Federal prison system: building and running prisons, managing parole and re-entry supervision							7	7
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	7.0	0	38.6%	39.0%	20.2%	2.2%	
	NY25-GOP	7.0	0	40.2%	37.6%	21.8%	0.5%	
	NY25-Dems	7.0	0	39.0%	38.1%	18.5%	4.3%	

[Q9.] Space Program (NASA): space probes, the space shuttle, international space station, study of Earth from space							19	19
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	18.0	-1	57.7%	22.5%	17.7%	2.2%	
	NY25-GOP	17.0	-1	57.7%	26.2%	15.6%	0.5%	
	NY25-Dems	18.0	-1	59.3%	18.7%	17.7%	4.3%	
[Q10.] Science: support for basic and applied research in biology, computers, engineering, earth sciences, economics, energy, etc.							13	13
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	13.0	0	36.5%	30.4%	30.9%	2.2%	
	NY25-GOP	13.0	0	46.1%	31.4%	22.1%	0.5%	
	NY25-Dems	13.0	0	27.5%	28.4%	39.9%	4.3%	
[Q11.] Medical Research: research on various physical and mental diseases, child health, aging, mapping of human DNA							35	38
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	37.0	0	49.7%	18.6%	29.5%	2.2%	
	NY25-GOP	36.0	-2	61.2%	16.1%	22.2%	0.5%	
	NY25-Dems	38.0	0	37.2%	21.0%	37.5%	4.3%	
[Q12.] International Aid Programs:								
[Q12a.] Humanitarian assistance: food aid to malnourished people, assistance in the event of disasters, aid to refugees from political conflict							6	7
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	6.0	0	49.1%	23.8%	24.4%	2.7%	
	NY25-GOP	6.0	-1	63.0%	23.4%	13.2%	0.5%	
	NY25-Dems	7.0	0	36.1%	24.4%	34.7%	4.8%	
[Q12b.] Development assistance: aid to people in poverty to help them develop economically, providing loans, training and technology, the Peace Corps							10	10
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	10.0	0	40.6%	40.9%	16.2%	2.4%	
	NY25-GOP	9.0	-1	58.0%	33.9%	7.7%	0.5%	
	NY25-Dems	10.0	0	28.7%	43.2%	23.8%	4.3%	
[Q12c.] Global Health: medical aid to people in poor countries, AIDS prevention, child survival, international efforts to prevent pandemics							8	9
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	8.0	-1	60.1%	19.6%	17.4%	2.9%	
	NY25-GOP	8.0	-1	75.5%	12.5%	10.4%	1.7%	
	NY25-Dems	9.0	0	45.7%	26.2%	23.8%	4.3%	
[Q12d.] Economic Support Fund: economic development aid to countries of strategic concern to the U.S. such as Afghanistan, Pakistan, and Egypt							5	6
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	5.0	-1	74.5%	15.7%	7.3%	2.5%	
	NY25-GOP	5.0	-1	82.7%	12.9%	3.9%	0.5%	
	NY25-Dems	5.0	-1	66.9%	18.3%	10.5%	4.3%	
[Q12e.] Military Aid: for countries of strategic interest to the U.S, primarily military equipment and weapons, approximately one-third to Israel							6	8
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	6.0	-1	73.3%	18.4%	5.8%	2.5%	
	NY25-GOP	7.0	-1	71.7%	21.4%	6.4%	0.5%	
	NY25-Dems	6.0	-2	73.8%	16.2%	5.7%	4.3%	

[Q13.] State Department: management of US diplomatic and economic relations with other countries, deal with international conflicts, maintain embassies							10	11
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	10.0	-1	75.3%	14.0%	7.7%	3.0%	
	NY25-GOP	10.0	-1	84.2%	10.6%	4.2%	1.1%	
	NY25-Dems	10.0	-1	68.6%	15.5%	11.2%	4.7%	
[Q14.] International Organizations: United Nations, UN peacekeeping, other international organizations to deal with epidemics, nuclear proliferation etc.							3	3
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	3.0	0	27.9%	50.6%	19.0%	2.4%	
	NY25-GOP	3.0	0	41.5%	47.1%	10.9%	0.5%	
	NY25-Dems	3.0	0	15.8%	54.7%	25.2%	4.3%	
[Q15.] Environment and Natural Resources:								
[Q15a.] Land management: oversight of livestock grazing, mining, drilling and solar energy on public lands, wildlife protection, fire-fighting, protection of wetlands, water conservation							16	16
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	16.0	0	45.0%	35.5%	16.8%	2.7%	
	NY25-GOP	15.0	-1	57.2%	32.6%	9.8%	0.5%	
	NY25-Dems	16.0	0	37.4%	33.9%	23.7%	4.9%	
[Q15b.] Pollution control: monitoring pollution of air, water, and soil, enforcing regulations, cleaning up pollution, hazardous waste sites							8	8
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	8.0	0	26.4%	36.5%	34.8%	2.2%	
	NY25-GOP	8.0	0	37.9%	42.8%	18.8%	0.5%	
	NY25-Dems	9.0	0	17.3%	29.9%	48.5%	4.3%	
[Q16.] Housing Programs: for the elderly and people with low incomes							55	55
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	55.0	0	34.5%	39.9%	23.2%	2.5%	
	NY25-GOP	55.0	0	44.2%	35.4%	19.9%	0.5%	
	NY25-Dems	55.0	0	26.0%	43.5%	25.7%	4.9%	
[Q17.] Homeland Security: border protection, TSA, immigration, responding to terrorist threats, responding to disasters							50	84
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	60.0	-19	76.6%	7.8%	13.4%	2.2%	
	NY25-GOP	75.0	-9	62.9%	13.1%	23.6%	0.5%	
	NY25-Dems	55.0	-29	85.8%	3.9%	6.0%	4.3%	
[Q18.] Veterans' Benefits: medical care, home loans, education for veterans							177	177
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	177.0	0	33.9%	33.9%	30.0%	2.2%	
	NY25-GOP	177.0	0	32.5%	38.7%	28.4%	0.5%	
	NY25-Dems	177.0	0	33.6%	33.4%	28.7%	4.3%	
[Q19.] Job Training: retraining unemployed workers, helping them find jobs							7	7
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	7.0	0	32.1%	37.0%	28.7%	2.2%	
	NY25-GOP	7.0	0	43.1%	34.7%	21.7%	0.5%	
	NY25-Dems	7.0	0	22.5%	37.9%	35.4%	4.3%	
[Q20.] Energy Conservation/Renewable Energy: research and development of solar, wind, geothermal, etc., improving energy efficiency, weatherproofing							2	2
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	2.0	0	15.4%	36.9%	45.4%	2.3%	
	NY25-GOP	2.0	0	24.2%	41.9%	33.0%	0.9%	
	NY25-Dems	3.0	+1	8.4%	31.0%	56.3%	4.3%	

[Q21.] Education:								
[Q21a.] Elementary and secondary education: aiding school districts in poor areas, national testing, teacher training							24	20
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	20.0	0	19.0%	30.7%	47.6%	2.7%	
	NY25-GOP	20.0	0	31.3%	42.8%	25.5%	0.5%	
	NY25-Dems	23.0	+1	10.1%	22.2%	63.5%	4.3%	
[Q21b.] Special education for students with disabilities							13	13
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	13.0	0	26.0%	38.9%	32.6%	2.5%	
	NY25-GOP	13.0	0	37.0%	39.2%	23.3%	0.5%	
	NY25-Dems	13.0	0	17.2%	38.5%	40.0%	4.3%	
[Q21c.] Higher education, primarily financial aid for college students, includes Pell Grants							31	31
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	31.0	0	47.6%	27.1%	22.6%	2.7%	
	NY25-GOP	30.0	-1	66.0%	25.3%	8.2%	0.5%	
	NY25-Dems	31.0	0	35.4%	27.1%	33.2%	4.3%	
[Q22.] Agriculture Subsidies:								
[Q22a.] Subsidies to small farmers (farms below 500 acres), provided on a regular annual basis							4	4
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	4.0	0	18.1%	45.1%	34.6%	2.2%	
	NY25-GOP	4.0	0	22.3%	47.9%	29.4%	0.5%	
	NY25-Dems	4.0	0	12.8%	43.8%	39.1%	4.3%	
[Q22b.] Subsidies to agricultural corporations with large farms, and manufacturers of farming equipment and fertilizers							11	12
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	10.0	-1	72.6%	18.4%	6.8%	2.2%	
	NY25-GOP	11.0	-1	71.0%	20.0%	8.6%	0.5%	
	NY25-Dems	10.0	-2	75.1%	15.7%	4.9%	4.3%	
[Q23.] Defense:								
[Q23a.] Regular operations of military forces: purchasing weapons and equipment, developing new weapon systems, support for personnel, maintaining overseas bases							526	593
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	525.0	-67	82.9%	5.2%	9.7%	2.2%	
	NY25-GOP	550.0	-43	72.6%	9.8%	17.1%	0.5%	
	NY25-Dems	500.0	-73	90.4%	1.4%	3.9%	4.3%	
[Q23b.] Military operations in Afghanistan, and against the Islamic State (ISIS) in Syria and elsewhere							65	60
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	55.0	-5	59.7%	24.8%	13.3%	2.2%	
	NY25-GOP	56.0	-2	56.8%	29.8%	12.9%	0.5%	
	NY25-Dems	55.0	-5	63.2%	21.8%	10.7%	4.3%	
[Q23c.] Intelligence agencies: gathering and analyzing information collected by spies and satellite systems, includes CIA, NSA, military intelligence							54	54
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	52.0	-1	53.0%	31.4%	13.4%	2.2%	
	NY25-GOP	52.0	-1	54.2%	30.1%	15.3%	0.5%	
	NY25-Dems	50.0	0	49.6%	30.9%	15.2%	4.3%	
[Q23d.] Nuclear weapons: upgrading and developing new weapons, securing and maintaining existing weapons							20	22
		Median	Majority Change	Decrease	Keep Same	Increase	DK/Ref	
	NY-25	20.0	-2	78.0%	12.5%	7.4%	2.2%	
	NY25-GOP	20.0	-2	68.9%	19.1%	11.6%	0.5%	
	NY25-Dems	20.0	-2	85.6%	7.0%	3.1%	4.3%	

[ISSUES RELATED TO REVENUES]

We will now turn to General Revenues or taxes. In a moment you will be able to adjust the levels of different types of taxes. But first, we would like you to consider some broader debates about taxes.

[SHOULD TAXES BE REDUCED]

The first is a debate on whether it is important to reduce taxes. As you may know, Congress recently passed a tax reform bill that lowered income taxes, corporate taxes, and other taxes.

Here are some arguments on this issue. For each one, please select whether you find it convincing or unconvincing:

[Q24.] For the economy to grow, it is important to reduce tax rates. There have been numerous cases when taxes were cut and the economy grew: under Kennedy in the 1960s, or when the capital gains tax was lowered in 1997. All across the country, high taxes are holding back businesses from growing and creating more jobs. This makes investors hesitate from investing, because they are not confident they will get a good return. All this dampens the economy. Lower tax rates will energize the economy and free up the natural vitality of our system.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	27.3%	43.0%	70.3%	20.7%	7.5%	28.2%	1.5%
NY25-GOP	34.2%	54.3%	88.5%	8.9%	2.0%	10.9%	0.6%
NY25-Dems	17.1%	37.7%	54.8%	31.6%	12.7%	44.3%	0.9%

[Q25.] It is unwise and shortsighted to cut taxes when we have a major deficit - one that is projected to grow even higher in the future. It is a myth that lower taxes always help the economy. In the 1950s and '60s taxes were far higher - yet the economy boomed and was better than at any time since. After 2001, when taxes were cut, the economy did not perform as well as in the 1990s when taxes were higher. What is most important is that we have a realistic and balanced approach that considers what we really need from government, what taxes are needed to pay for it, and that the deficit goes down, not up.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	20.7%	41.8%	62.5%	25.4%	10.5%	35.9%	1.6%
NY25-GOP	11.4%	44.0%	55.4%	30.9%	12.7%	43.6%	0.9%
NY25-Dems	30.0%	39.5%	69.5%	21.7%	6.8%	28.5%	2.0%

[TAXES FOR HIGH INCOMES]

Revenues (cont.)

Another debate is about what the income tax rate should be for people with very high incomes. Here are two arguments on this issue. For each one, please select whether you find it convincing or unconvincing:

[Q26.] Over the last several decades, the wealth of most Americans has barely grown at all, even though American workers have become far more productive. Meanwhile, the wealth of the people in the top brackets has grown by leaps and bounds, so that the top 1% now has more wealth than the entire bottom 80%. A key reason is that taxes on upper incomes have been cut and are far lower than they were just decades ago, as well as being lower than they are in most developed democracies. It's great that the wealthy have succeeded, but it is only fair that they pay a greater share - and they can afford it.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	48.0%	32.1%	80.1%	13.9%	5.6%	19.5%	0.4%
NY25-GOP	33.8%	31.6%	65.4%	26.3%	8.3%	34.6%	0.0%
NY25-Dems	58.5%	31.9%	90.4%	7.4%	1.3%	8.7%	0.9%

[Q27.] The people at the top already pay a lot. In reality, the one in ten who are best off are paying two-thirds of the amount the federal government collects in income tax. Furthermore, people with high incomes play an important role in the economy. Because they are the ones that have amassed capital, they can take the risk to create new businesses that hire people. With the economy still recovering, this is no time to pursue more 'soak the rich' policies. We want to encourage them to invest and create jobs.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	15.5%	30.5%	46.0%	27.0%	26.1%	53.1%	0.9%
NY25-GOP	21.9%	42.6%	64.5%	20.1%	14.6%	34.7%	0.7%
NY25-Dems	9.1%	17.2%	26.3%	33.4%	39.0%	72.4%	1.3%

[CHANGING EXISTING REVENUES]

[PERSONAL INCOME TAXES]

Revenues (cont.)

The first revenue area for you to make choices will be about taxes people pay on their income - the biggest source of revenues.

The table shows the average of *effective tax rates* that people with different income levels pay to the federal government, most often by money being withheld from their paychecks.

The effective tax rate is the percentage of their income that people actually pay, after exemptions, credits and deductions. These are lower than as person's marginal tax bracket, which you may have heard about, which only applies to some of their earnings.

These percentages include payments that are made to Social Security and Medicare.

As you probably know, a new law was passed last December that lowered tax rates starting in 2018. In the chart below you can see the effective tax rates before and after the new law went into effect.

Annual Income	Effective Tax Rates from New Law	Previous Effective Tax Rates
\$40,000 – \$50,000	7.4%	9%
\$50,000 – \$75,000	11.3%	12.6%
\$75,000 – \$100,000	13.4%	14.7%
\$100,000 – \$200,000	17.1%	18.4%
\$200,000 – \$500,000	21.5%	23.5%
\$500,000 – \$1 million	25.5%	27.6%
Above \$1 million	28.3%	29%

We will now give you the opportunity to change the effective tax rate for different income groups. (Though the effective tax rates you see include taxes paid to Social Security and Medicare, any change you make - up or down - will only affect the amount of taxes that go to General Revenues.)

For each income bracket you can choose tax rates that are:

- lower than the current rates in the new tax law
- the current rates in the new tax law
- an amount halfway between the new and the previous tax rates
- the previous tax rates
- amounts higher than the previous tax rates

The table will also show the effect of your choices on revenue and the box will show the effect of your choices on the deficit.

As an example, if you want to keep a tax rate the same as it is now, please click the box as highlighted below.

Income bracket:	Reduce new law's effective tax rates by:					Go back to previous effective tax rate	Increase above previous effective tax rates by:		
	-15%	-10%	-5%	Keep rates from new tax law	Halfway between 2017 and 2018 eff. Tax rates		+5%	+10%	+15%
\$100,000 - \$200,000	10.8%	11.4%	12.1%	12.7%	13.9%	15%	15.8%	16.5%	17.3%
Effect on Revenue:	-\$41.8B	-\$27.9B	-\$13.9B	\$0B	+\$10B	+\$20B	+\$21B	+\$22B	+\$23B

CLICK THE BOX WITH THE TAX RATE YOU THINK IS BEST FOR EACH INCOME LEVEL:

Q30b.

Income bracket:	Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			Ref. / Dk	
	-15%	-10%	-5%				+5%	+10%	+15%		
\$40,000 - \$50,000	6.3%	6.7%	7%	7.4%	8.2%	9%	9.02%	9.04%	9.06%		
Effect on Revenue:	-\$0.8B	-\$0.5B	-\$0.3B	\$0B	+\$3.6B	+\$7.2B	+\$7.3B	+\$7.4B	+\$7.6B		
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	N/A	8.0%	8.3%	19.7%	34.2%	16.2%	6.0%	2.0%	0.0%	0.4%	5.3%
NY25-GOP	N/A	3.5%	9.7%	15.4%	45.2%	13.0%	4.3%	2.1%	0.0%	0.0%	6.7%
NY25-Dems	N/A	9.2%	9.3%	23.0%	26.0%	18.0%	7.9%	2.6%	0.0%	0.8%	3.3%

Q30c.

Income bracket:	Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			Ref. / Dk	
	-15%	-10%	-5%				+5%	+10%	+15%		
\$50,000 - \$75,000	9.6%	10.2%	10.7%	11.3 %	12%	12.6%	12.8%	13%	13.2%		
Effect on Revenue:	-\$6.1B	-\$4.0B	-\$2.0B	\$0B	+\$10.9B	+\$21.9B	+\$25.0B	+\$28.1B	+\$31.2B		
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	N/A	4.6%	6.3%	16.0%	33.7%	20.9%	8.7%	3.2%	0.9%	0.4%	5.3%
NY25-GOP	N/A	2.5%	7.7%	16.5%	39.4%	20.6%	5.3%	1.3%	0.0%	0.0%	6.7%
NY25-Dems	N/A	4.9%	4.5%	17.2%	31.4%	19.5%	12.6%	3.7%	2.0%	0.8%	3.3%

Q30d.

Income bracket:	Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			Ref. / Dk	
	-15%	-10%	-5%				+5%	+10%	+15%		
\$75,000 - \$100,000	11.4%	12.1%	12.7%	13.4 %	14.1%	14.7%	15%	15.3%	15.6%		
Effect on Revenue:	-\$11.2B	-\$7.5B	-\$3.7B	\$0B	+\$10.1B	+\$20.2B	+\$24.9B	+\$29.7B	+\$34.4B		
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	N/A	1.7%	5.3%	12.5%	27.8%	25.9%	12.0%	5.2%	2.5%	2.0%	5.3%
NY25-GOP	N/A	0.9%	6.3%	11.3%	40.3%	21.4%	7.2%	4.2%	1.5%	0.0%	6.7%
NY25-Dems	Halfway	0.8%	4.4%	13.7%	19.1%	29.2%	16.3%	7.4%	1.8%	4.2%	3.3%

Q30e.		Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			
Income bracket:		-15%	-10%	-5%				+5%	+10%	+15%	
\$100,000 - \$200,000		14.5%	15.4%	16.2%	17.1%	17.8%	18.4%	18.9%	19.3%	19.8%	
Effect on Revenue:		-\$49.7B	-\$33.2B	-\$16.6B	\$0B	+\$28.0B	+\$56.0B	+\$75.3B	+\$94.7B	+\$114.1B	
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	Halfway	2.1%	2.4%	8.8%	20.3%	28.0%	15.4%	8.4%	4.5%	4.9%	5.3%
NY25-GOP	N/A	1.5%	3.7%	12.8%	28.7%	25.7%	11.3%	6.5%	1.0%	2.0%	6.7%
NY25-Dems	Halfway	1.9%	1.3%	6.6%	13.4%	28.4%	20.1%	10.8%	7.5%	6.7%	3.3%

Q30f.		Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			
Income bracket:		-15%	-10%	-5%				+5%	+10%	+15%	
\$200,000 - \$500,000		18.3%	19.4%	20.4%	21.5%	22.5%	23.5%	24.3%	25%	25.8%	
Effect on Revenue:		-\$55.1B	-\$36.8B	-\$18.4B	\$0B	+\$27.4B	+\$54.9B	+\$76.0B	+\$97.1B	+\$118.2B	
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	Halfway	1.9%	1.8%	4.3%	15.3%	23.0%	18.4%	14.3%	7.5%	8.2%	5.3%
NY25-GOP	Halfway	2.6%	3.1%	5.5%	24.9%	22.6%	16.5%	13.4%	2.7%	2.0%	6.7%
NY25-Dems	2017	1.1%	1.0%	3.3%	6.9%	20.4%	21.7%	18.2%	10.8%	13.3%	3.3%

Q30g.		Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			
Income bracket:		-15%	-10%	-5%				+5%	+10%	+15%	
\$500,000 - \$1 million		21.7%	23%	24.2%	25.5%	26.6%	27.6%	28.7%	29.9%	31%	
Effect on Revenue:		-\$25.4B	-\$16.9B	-\$8.5B	\$0B	+\$9.0B	+\$18.0B	+\$27.4B	+\$36.7B	+\$46.1B	
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	2017	1.9%	1.7%	4.4%	14.9%	17.0%	16.3%	13.4%	10.1%	15.2%	5.3%
NY25-GOP	Halfway	2.6%	1.0%	4.8%	25.3%	16.1%	14.7%	15.2%	7.8%	5.9%	6.7%
NY25-Dems	2017	1.1%	1.7%	4.8%	7.1%	14.0%	19.1%	13.3%	12.7%	23.0%	3.3%

Q30h.		Reduce new law's effective tax rates by:			Keep rates from new tax law	Halfway between	Go back to previous effective tax rate	Increase above previous effective tax rates by:			
Income bracket:		-15%	-10%	-5%				+5%	+10%	+15%	
Above \$1 million		24.1%	25.5%	26.9%	28.3%	28.7%	29.1%	30.5%	31.8%	33.2%	
Effect on Revenue:		-\$75B	-\$50B	-\$25B	\$0B	+\$7.6B	+\$15.2B	+\$40.9B	+\$66.7B	+\$92.4B	
	Majority Change	-15%	-10%	-5%	2018 Rate	Halfway Between	2017 Rate	+5%	+10%	+15%	Ref. / Dk
NY-25	2017	1.8%	1.8%	3.2%	14.7%	17.1%	11.3%	12.8%	8.3%	23.8%	5.3%
NY25-GOP	Halfway	0.5%	3.1%	4.2%	22.9%	17.4%	13.1%	12.7%	7.8%	11.6%	6.7%
NY25-Dems	+5%	2.4%	0.4%	3.1%	8.4%	14.7%	9.9%	14.0%	8.4%	35.4%	3.3%

Revenues (cont.)

Here are some other possible changes for revenue.

Q32: We are now going to look at corporate taxes. Most corporations or businesses pay a tax on their profits. Just like individuals, corporations have exemptions, credits and deductions that are applied to their profits before calculating their income tax. In 2017 the effective tax rate for corporations was 21.2% of profits. In 2018, with the new tax law, this was lowered to 14.6%. You will now have an opportunity to adjust this rate as you see fit.

	Reduce new law's effective tax rate by:			Keep rates from new effective tax law	Halfway between 2017 and 2018 eff. Tax rates	Go back to previous tax rate	Increase previous tax rate by:			Ref. / Dk
	-15%	-10%	-5%				+5%	+10%	+15%	
Change To Tax Rate	12.4%	13.1%	13.9%	14.6%	17.9%	21.2%	22.3%	23.4%	24.5%	
Effect on Revenue	-\$33.5B	-\$22.3B	-\$11.2B	\$0B	+\$50.5B	+\$101 B	+\$117.2B	+\$133.4B	+\$149.6B	
	-15%	-10%	-5%	2018 Tax Rate	Halfway Between	2017 Tax rate	+5%	+10%	+15%	Ref. / Dk
NY-25	2.3%	2.8%	5.3%	20.6%	33.2%	19.6%	5.7%	2.6%	6.5%	1.4%
NY25-GOP	3.3%	4.5%	7.8%	30.3%	33.4%	9.9%	4.4%	1.2%	3.8%	1.3%
NY25-Dems	1.6%	0.9%	4.5%	14.1%	25.7%	30.7%	7.7%	4.1%	9.4%	1.3%

[CAPITAL GAINS AND DIVIDENDS]

As you may know, income from capital gains and dividends are taxed differently than other kinds of income (such as income from wages and salaries).

Capital gains are profits from the sale of investments, such as stocks, property, and inherited assets.

Dividends are profits distributed to a company's shareholders.

Most capital gains and dividends go to people making above \$200,000. Thus, changes to this tax rate, while affecting all income groups, will have the most impact on people in the highest income brackets.

Here are the tax rates paid by individuals in different income tax brackets:

Individual Income Level	Tax Rates for Capital Gains and Dividends
up to \$38,600	0%
\$38,600 – \$200,000	15%
\$200,000 – \$425,000	18.8%
Over \$425,000	28.8%

[Q32a.] There is a proposal for changing the tax rate for capital gains and dividends: the rate would be increased for all income groups by 2 percentage points. This would mean:

- the 0% rate would increase to 2%
- the 15% rate to 17%
- the 18.8% rate to 20.8%
- the 23.8% rate to 25.8%

This would increase revenues by \$6 billion.

It is possible to increase these rates by 4 or 6 percentage points. It is also possible reduce these rates by 2, 4, or 6 percentage points.

Please selected which you think is best.

Capital Gains Tax	Decrease all rates:			Keep current tax rates	Increase all rates:			Ref / DK
	-6 percentage points	-4 percentage points	-2 percentage points		+2 percentage points	+4 percentage points	+6 percentage points	
Effect on Revenue	-\$18B	-\$12B	-\$6B	\$0B	+\$6B	+\$12B	+\$18B	
	-6 percentage points	-4 percentage points	-2 percentage points	Keep current tax rates	+2 percentage points	+4 percentage points	+6 percentage points	Ref / DK
NY-25	2.9%	4.2%	12.6%	40.9%	28.7%	5.8%	4.1%	0.8%
NY25-GOP	3.1%	6.5%	14.3%	42.8%	23.5%	5.6%	2.1%	2.1%
NY25-Dems	1.8%	2.6%	14.3%	35.4%	33.5%	6.3%	6.1%	0.0%

[PASS THROUGH BUSINESSES] Revenues (cont.)

[Q32b.] As you may know, the new tax reform bill included a new 20% deduction for owners of some types of businesses who report their business income as their personal income and are taxed at personal income tax rates. Repealing this deduction would increase revenues by \$47 billion.

Please select from these options:

	<u>Effect on Revenue</u>		
1 Keep the new 20% deduction			-0-
2 Repeal the new 20% deduction			+\$47B
	Keep the new 20% deduction	Repeal the new 20% deduction	Refused / Don't know
NY-25	47.3%	51.2%	1.5%
NY25-GOP	61.2%	37.5%	1.4%
NY25-Dems	36.0%	62.6%	1.4%

[ESTATE TAX]

[Q33a.] As you may know, the estate tax is a tax paid when someone dies and their estate is left to their heirs. This tax only applies to estates worth a certain amount.

This amount has changed over the years, with exemptions increasing and top tax rates decreasing.

In 2009 the first \$3.5 million for individuals and \$7 million for couples was tax-free and for the amounts over that level, the top tax rate was 45%.

In 2011 the tax-free amount went up to \$5.5 million for individuals and \$11 million for couples, and the top tax rate was lowered to 40%.

In 2018, with the new tax reform law, the tax-free amount was again raised, this time to \$11 million for individuals and \$22 million for couples. The top tax rate stayed at 40%.

Since last year, there has been discussion about whether the estate tax should be changed. Four key options are shown below, with the revenue effect on the projected deficit. Which do you recommend?

		<u>Effect on Revenue</u>				
1	Eliminate the estate tax completely					-\$15 B
2	Continue the current law: A tax only on inherited wealth over \$11 million for individuals and \$22 million for married couples, up to 40%					\$0 B
3	Revert back to 2011 law, taxing only inherited wealth over \$5.5 million for individuals and \$11 million for married couples, up to 40%					+\$8 B
4	Revert back to 2009 law, taxing only inherited wealth over \$3.5 million for individuals and \$7 million for married couples, up to 45%					+\$12 B
		Eliminate estate tax completely	Continue current law: Tax only inherited wealth over \$11 million for individuals and \$22 million for married couples, up to 40%	Revert to 2011 law, tax only inherited wealth over \$5.5 million for individuals and \$11 million for married couples, up to 40%	Revert to 2009 law, tax only inherited wealth over \$3.5 million for individuals and \$7 million for married couples, up to 45%	Refused / Don't know
NY-25		20.2%	25.0%	26.9%	26.7%	1.3%
NY25-GOP		27.8%	27.8%	26.1%	15.7%	2.6%
NY25-Dems		14.8%	21.1%	27.0%	36.4%	0.7%

[CARRIED INTEREST]

Revenues (cont.)

[Q31.] We will now look at the possibility of eliminating a special tax that is often known as the 'hedge fund managers tax' because it can lower the tax these managers would otherwise pay. As you may know, managers of private investment funds, such as hedge funds, are paid in part by getting a percentage of profits even if they have not invested any of their own money. Currently this income is taxed at the same level as capital gains and dividends, which is substantially less than it would be if it were taxed like ordinary income. One proposal is to tax this compensation like ordinary income. This would raise extra revenue of \$2.2 billion.

What is your recommendation?

		<u>Effect on Revenue</u>		
1	Continue to tax private investment fund managers' compensation at the lower rate for capital gains and dividends			-0-
2	Tax private investment fund managers compensation like ordinary income			+2.2B
		Continue to tax private investment fund managers' compensation at the lower rate for capital gains and dividends	Tax private investment fund managers compensation like ordinary income	Refused / Don't know
NY-25		25.2%	73.7%	1.1%
NY25-GOP		28.7%	70.6%	0.7%
NY25-Dems		22.1%	77.2%	0.7%

[NEW POSSIBLE REVENUES]

[FEE ON LEVERAGED BANKS]

We are now going to consider some new possible revenue sources that have been proposed.

[Q33b.] One proposal is to impose a fee on very large financial institutions (such as banks) that have taken on large amounts of uninsured debt. This is meant to discourage them from taking on high levels of risk, as well as to generate revenue for the

federal government. Institutions with assets over \$50 billion (these are roughly the 100 largest firms) would pay a fee of 0.15 percent of their uninsured debt. This would increase revenues by \$10 billion.

What is your recommendation?

	<u>Effect on Revenue</u>		
	Do not charge a fee to large banks and financial institutions	Charge a fee to large banks and financial institutions	Refused / Don't know
1 Do not charge a fee to large banks and financial institutions		-0-	
2 Charge a fee to large banks and financial institutions		+\$10 B	
NY-25	27.0%	72.7%	0.3%
NY25-GOP	30.5%	68.7%	0.7%
NY25-Dems	21.9%	78.1%	0.0%

[FINANCIAL TRANSACTIONS FEE]

Revenues (cont.)

[Q34.] Every day that financial markets are open, roughly \$1 trillion worth of stocks, bonds and derivatives are traded. Another proposal would tax each trade transaction by a hundredth of one percent (0.1%) of the value of the security being traded. For example, this would be a tax of \$1 on a trade worth \$1,000. This would increase revenues by \$63 billion.

What is your recommendation?

	<u>Effect on Revenue</u>		
	Do not charge a tax on financial transactions	Charge a tax of 0.1% on financial transactions	Refused / Don't know
1 Do not charge a tax on financial transactions		-0-	
2 Charge a tax of 0.1% on financial transactions		+\$63 B	
NY-25	36.9%	62.6%	0.6%
NY25-GOP	41.4%	57.9%	0.7%
NY25-Dems	35.3%	64.7%	0.0%

[TAXES TO DISCOURAGE BEHAVIORS]

Revenues (cont.)

We are next going to explore another kind of tax that, in addition to raising revenues, discourages certain activities that create costs for society - such as using tobacco and alcohol, or producing pollutants.

First, here are two arguments on this issue. For each one, please select whether you find it convincing or unconvincing:

[Q28.] When people use excessive amounts of alcohol, drink excessive sugary drinks or produce pollutants, they are creating costs for society in terms of healthcare and environmental quality. We should not all have to pay for those costs. Rather, the people who create those costs should pay for them. It might also encourage them to change their behavior. Thus, a good way to raise revenue is to tax alcohol, sugary drinks, and pollution. Every dollar raised this way is a dollar that doesn't have to be taken out of working people's paychecks.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	21.8%	40.4%	62.2%	19.9%	17.7%	37.6%	0.3%
NY25-GOP	22.3%	34.9%	57.2%	26.5%	16.3%	42.8%	0.0%
NY25-Dems	19.6%	46.6%	66.2%	15.6%	18.2%	33.8%	0.0%

[Q29.] Government should not be in the business of trying to regulate people's behavior through taxes. That leads to a nanny state, imposing its ideas about personal virtue on individuals, and poking into our private affairs. It also can mean imposing more taxes on people with modest incomes: for example, making someone who has a long commute pay more to get to work. This kind of thing makes the tax code more complex and favors some industries over others.

	Very convincing	Somewhat convincing	Total convincing	Somewhat unconvincing	Very unconvincing	Total unconvincing	Refused / Don't know
NY-25	28.9%	35.9%	64.8%	23.6%	11.0%	34.6%	0.6%
NY25-GOP	34.8%	39.0%	73.8%	18.0%	7.2%	25.2%	1.1%
NY25-Dems	22.3%	34.2%	56.5%	30.8%	12.8%	43.6%	0.0%

[GREENHOUSE GAS TAX]

Revenues (cont.)

[Q35.] One possibility is to impose a tax on carbon dioxide and other greenhouse gases from electricity generation, manufacturing, and transportation. Most scientists think this would reduce air pollution and slow the rate of climate change. However it would increase the price of gasoline and electricity.

Here are three options for a tax on carbon dioxide and other greenhouse gases we would like you to choose from:

		<u>Effect on Revenue</u>
1	Do not have a tax on carbon dioxide and other greenhouse gases	\$0 B
<hr/>		
	Have a tax of \$12.50 per metric ton of carbon dioxide and other greenhouse gases. This would:	
2	<ul style="list-style-type: none"> increase the price of gas by 11.5 cents per gallon increase the price of electricity by 1.25 to 2.5 percent decrease carbon dioxide and other greenhouse gases by about 5 percent over a decade 	\$47 B
<hr/>		
	Have a tax of \$25 per metric ton of carbon dioxide and other greenhouse gases of \$25. This would:	
3	<ul style="list-style-type: none"> increase the price of gas by about 23 cents a gallon increase the price of electricity by 2.5 to 5 percent reduce carbon dioxide and other greenhouse gases by about 10 percent over the next decade 	\$94 B

	Do not have a tax on carbon dioxide and other greenhouse gases	Have a tax of \$12.50 per metric ton of carbon dioxide and other greenhouse gases.	Have a tax of \$25 per metric ton of carbon dioxide and other greenhouse gases of \$25.	Refused / Don't know
NY-25	40.2%	44.1%	15.3%	0.4%
NY25-GOP	56.6%	32.8%	10.0%	0.6%
NY25-Dems	26.0%	51.7%	22.3%	0.0%

[ALCOHOL TAX]

Revenues (cont.)

[Q36.] Currently, alcoholic drinks carry a federal tax of 8 cents per ounce of alcohol in wine, 10 cents per ounce in beer, and 21 cents per ounce in spirits, such as whisky or vodka.

It has been proposed to raise the tax on alcoholic drink 25 cents per ounce of alcohol, which would generate \$6.6 billion in revenue.

Under this option:

- the tax on a 750-milliliter bottle (commonly referred to as 'a fifth') of distilled spirits would rise from about \$2.14 to \$2.54
- the tax on a six-pack of beer at 4.5 percent alcohol by volume would rise from about 33 cents to 81 cents
- the tax on a 750-milliliter bottle of wine with 13 percent alcohol by volume would increase from about 21 cents to 82 cents

Some have proposed an increase of 50 cents per ounce, which would double all of these increases and generate \$13.2 billion in revenue.

Effect on Revenue

- | | |
|---|-----------|
| 1 Do not raise taxes on alcohol | \$0 B |
| 2 Increase tax on all alcoholic drinks to 25 cents per ounce of alcohol | +\$6.6 B |
| 3 Increase tax on all alcoholic drinks to 50 cents per ounce of alcohol | +\$13.2 B |

	Do not raise taxes on alcohol	Increase tax on all alcoholic drinks to 25 cents per ounce of alcohol	Increase tax on all alcoholic drinks to 50 cents per ounce of alcohol	Refused / Don't know
NY-25	37.5%	46.9%	14.9%	0.6%
NY25 - GOP	39.1%	42.4%	17.7%	0.7%
NY25 - Dems	33.6%	51.0%	14.6%	0.8%

[TAX ON SUGARY DRINKS]

Revenues (cont.)

[Q37.] Another idea is to tax sugary drinks, such as soft drinks. This would also have the benefit of discouraging excessive consumption of such drinks, which have been linked to obesity and diabetes. Here are some options, with the extra revenue they would raise. What is your position?

Effect on Revenue

- | | |
|---|---------|
| 1 Do not tax sugary drinks | -0- |
| Tax sugary drinks at: | |
| 2 ½ cent per ounce (6 cents for a typical 12 oz. can) | +\$10 B |
| 3 1 cent per ounce (12 cents for a typical 12 oz. can) | +\$20 B |
| 4 2 cents per ounce (24 cents for a typical 12 oz. can) | +\$40 B |

	Do not tax sugary drinks	Tax sugary drinks at ½ cent per ounce	Tax sugary drinks at 1 cent per ounce	Tax sugary drinks at 2 cents per ounce	Refused / Don't know
NY-25	36.9%	32.7%	14.0%	15.9%	0.5%
NY25-GOP	46.3%	23.5%	15.7%	13.8%	0.7%
NY25-Dems	32.2%	36.2%	13.1%	18.0%	0.5%

[CONCLUSION]

Thank you for your work! We greatly appreciate the time and thought you have put into this survey. We have just a few last questions.