

To: Invest in Washington Now

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Tax and Revenue Research: Poll Analysis

Washington voters support a capital gains tax, even more so if the emphasis is on what will be funded with the revenue from the tax. More broadly, voters support asking the wealthy to pay more in taxes, and they believe that big corporations and the wealthy pay too little in taxes, while middle- and working-class people pay too much. Messaging arguing for a tax code where the wealthy pay what they owe is persuasive.

These are key findings from a survey of 400 Washington voters, conducted August 18-22, 2022 via live calls to cellphones and landlines and text-to-web interviews. The survey carries a +/- 4.9 percentage-point margin of error.

- **A clear majority of voters, including a majority of independents, support a capital gains tax.** The capital gains tax passed by the Washington legislature has the support of 58% of voters, with just 33% opposed. Democrats are near-unanimous in support of a capital gains tax (82% favor, 6% oppose) and a majority of independents also support the tax (54% favor, 39% oppose). Though most Republicans oppose the tax, nearly one in four Republicans favor it (23% favor, 62% oppose).
- **Leading with the purpose for the funding strengthens support for the capital gains tax.** When the capital gains tax is introduced by discussing the tax first and the purpose of the funding later, a majority of voters support it (52% favor, 38% oppose). However, when the tax is introduced as investing \$500 million in education and early childhood learning via the tax on capital gains, support increases to 63%, with just 27% of voters opposed.
- **Most voters agree that the wealthy and big corporations should pay more in taxes.** Nearly three-fourths of Washington voters agree with the statement that “the wealthiest should pitch in a little more in taxes” (74% agree, 24% disagree). When asked whether various groups pay too much, too little, or the right amount of taxes, 73% say that big corporations and millionaires pay too little in taxes, while 70% say the same of the wealthy.
- **Voters largely believe the middle class and working poor, as well as small businesses, pay too much in taxes.** Voters are aware of the unfairness of Washington’s tax system, with 67% agreeing with the statement “Low- and middle-income families in Washington pay a greater share of their income in taxes than high-income families.” Further, voters believe that the working poor (74%), small businesses (67%), and the middle class (59%) pay too much of their income in taxes, in sharp contrast to the wealthy and big corporations.



- **Messaging against tax breaks for the wealthy and in favor of growing the economy from the middle out resonates with voters.** Messaging that nudges voters to take a position consistent with their stated preferences by saying that poll after poll shows Washington voters support billionaires paying what they owe is particularly effective (63% strongly agree, 79% total agree). An additional strong positive message points to the need to grow the economy from the middle out by decreasing the tax burden on the middle class while asking the wealthy and corporations to pay more (49% strongly agree, 72% total agree). Many voters also respond well to pointing out that the money would go toward funding our schools and addressing the teacher shortage (53% strongly agree, 71% total agree).
- **Asking the wealthy to pay “what they owe” has a small but consistent advantage over asking them to pay “their share.”** For example, 82% agree that the wealthy are trying to carve out tax breaks for themselves and should pay what they owe, but 75% agree with the same statement framed as “should pay their share.” When discussing the need to address the teacher shortage, the difference is smaller, but still noticeable: 72% agree with “what they owe” framing, compared to 70% agreement with “their share” framing.
- **We can counter conservative framing of the wealthy and business as “job creators” by pointing to the middle class as the true job creators.** In a paired statement exercise, 70% of voters agree with the statement “The middle class are the true job creators. When we put more money in their pockets, they spend it at local businesses, which then make more money and hire more people.” In contrast, just 23% agree with the statement “The wealthy are the true job creators. When we lower their taxes and regulations, they invest more money in businesses and create jobs with their wealth.”