

FOR IMMEDIATE RELEASE: Friday, April 1, 2011

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EDUCATORS CALL FOR "1% TAX ON TOP 1%"

New Poll Shows Strong Public Support, Taxing rich could mean \$2.5 billion for education, services

The California Federation of Teachers (CFT) today released new polling results showing 78% of voters support increasing income taxes on the top 1% of Californians by 1%. Such a tax would return the richest Californians close to the rate they paid in the mid-1990s. CFT called for the increase to be placed before voters as part of a package to resolve California's budget crisis.

"The people of California strongly favor increasing taxes by 1% on the wealthiest 1% of Californians instead of additional cuts to education and key public services. This should be among the options placed before the voters for resolving the budget crisis," said CFT President-elect Josh Pechthalt. "Californians making over \$500,000 a year have just received a \$9 billion tax break from the federal government with the extension of Bush's tax cuts. Recapturing part of that \$9 billion would substantially reduce our state budget deficit, and is a better choice than abandoning students. We need to ask the most wealthy among us to invest their fair share in taxes for California's future."

"The intensity of voter support for increasing income taxes on the richest 1% is very high, with 53% of voters strongly supporting this measure, and 78% of voters in favor," said pollster Ben Tulchin. "This support crosses all lines: party, age, and income. This is a solution the people of California strongly support."

The educators released findings from a March poll by Tulchin Research. Attached please find a memo from pollster Ben Tulchin.

For more information please visit: www.cft.org

Polling & Strategic Consulting

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

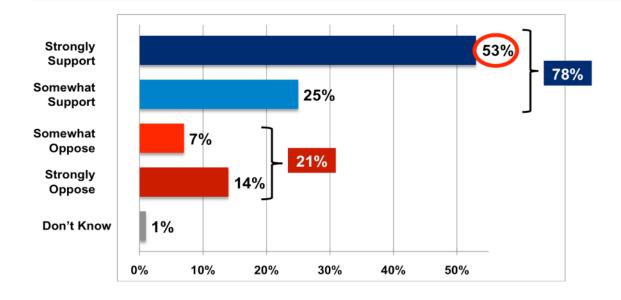
Given the recent events in Sacramento that saw budget negotiations collapse and efforts launched to find a Plan B, a recent statewide survey of likely voters in California has discovered a proposal that could help solve the state's budget mess – raising taxes on the wealthy. Notably, the poll finds overwhelming 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 <u>a majority of all voters</u> (53%) who say they <u>strongly</u> 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%."



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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

"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%."

	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

"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%."

	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

"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%."

	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.