

TO: Interested Parties
FROM: Guy Molyneux
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RE: New Yorkers' Views on Raising Taxes

Hart Research Associates has conducted a survey examining New York voters' views on key tax and fiscal policy issues in the budget now being negotiated by state leaders. We interviewed 751 registered voters statewide from March 15 to 17, 2023, and the survey's confidence interval is ± 3.7 percentage points. This memo reviews the survey's main findings.

Voters overwhelmingly support two progressive revenue measures included in the Senate and Assembly budget proposals: 1) increasing the corporate tax rate on corporations with over \$5 million in profits, and 2) raising the personal income tax rate on incomes over \$5 million.

- The legislature's proposed increase in the tax rate for corporations with profits of \$5 million or more receives support for an extraordinary 84% of state voters, with just 16% opposed. Fifty percent strongly favor the proposal.
 - Support crosses partisan lines (Democrats 90%, Republicans 78%, unaffiliated voters 75%) and includes all areas of the state (New York City, 84%; NYC suburbs, 85%; upstate, 82%).
- Coincidentally, 84% of New York voters also favor the legislature's proposal to raise the state personal income tax on incomes over \$5 million, including 52% strongly in favor (16% are opposed).
 - Democrats (92% favor) voice especially strong support for the personal income tax hike, but three in four Republicans (76%) and unaffiliated voters (77%) concur. Support is just as strong in the NYC suburbs (85%) and upstate (83%) as it is in New York City (85%).
 - Support is strong in households with incomes under \$50,000 (84%), between \$50-100,000 (88%), and over \$100,000 (81%).

New York voters strongly oppose the higher education tuition increases and the MTA fare increase included in the Governor's proposed budget.

- Four in five New York voters (81%) oppose increasing tuition for students at SUNY and CUNY, while just 19% support tuition increases. Opposition crosses party lines (Democrats 84% opposed, Republicans 76%, unaffiliated voters 81%) and encompasses all parts of the state (New York City, 81%; NYC suburbs, 80%; Upstate, 83%). Interestingly, voters age 60 and above voice opposition to tuition hikes (84%) slightly more frequently than voters under 40 (77%).
 - By a similar margin (79% opposed, 21% in favor), voters oppose a tuition hike for SUNY students of up to 9% per year over the next five years, as proposed for SUNY university centers (Albany, Binghamton, Buffalo, and Stony Brook) in the Executive Budget.

- By a four-to-one ratio, voters in the MTA region (69% of voters surveyed) say they oppose a fare increase to \$3.00 (79% opposed, 21% in favor). Opposition is especially intense in New York City (82% opposed, including 62% strongly), but is also widespread outside the city (75% opposed).
 - Democrats (80% opposed), Republicans (69%), and unaffiliated voters (83%) all reject the proposed fare increase in large numbers.

By a remarkable ratio of five to one, New Yorkers prefer the legislature’s approach of raising revenue through higher taxes on profitable corporations and high-income individuals over increasing MTA fares and tuition at CUNY and SUNY.

- The survey presented voters with two approaches for raising needed revenue in this budget, one raising tax rates on profitable corporations and high-income individuals and one that eschews tax increases in favor of hikes in MTA fares and tuition at SUNY and CUNY. By a margin of 83% to 17%, New York voters prefer the former approach.

Budget A (83% prefer):

- Increase the corporate tax rate on corporations with over \$5 million in profits
- Raise the state personal income tax rate by 0.5% (one-half of 1 percent) on incomes over \$5 million

OR

Budget B (17% prefer):

- Maintain current corporate tax rates and current taxes on wealthy individuals
- Raise MTA fares to \$3.00
- Increase tuition for SUNY and CUNY students
- New York Democrats (88%-12%), Republicans (76%-24%), and unaffiliated voters (79%-21%) all prefer the progressive tax measure approach by large margins. Voters in all areas of the state also share this strong preference (New York City, 85% to 15%; NYC suburbs, 82% to 18%; upstate, 81% to 19%).
- By a 46-point margin, voters say they would be more likely to support a legislator who voted for higher taxes on corporations and individuals with incomes over \$5 million (60% more likely, 14% less likely).
- By a mirror image 45-point margin, voters say they would be less likely to support a legislator who voted for higher MTA fares and increased tuition at SUNY and CUNY while making no change in tax rates for high-income individuals and corporations (16% more likely, 61% less likely).

Support for the legislature’s budget approach reflects voters’ underlying priorities: they believe investing in public services is much more important than avoiding tax increases on corporations and the wealthy. Indeed, they say that making the wealthy pay more taxes is itself an important priority.

- Prior to presenting voters with specific budget options to consider, we asked them about their general priorities for the state budget. Just 17% said that avoiding tax increases on corporations and wealthy individuals was a higher priority than increasing state investment in public schools, higher education, healthcare, child care, and public transit (83%). More than 80% of voters in every region of the state prioritize state investments over avoiding tax increases on corporations and the wealthy.
- The survey also asked voters to rate the relative importance of fifteen different budget priorities. Voters’ top priorities include funding for healthcare and education, increasing taxes on the wealthy, and avoiding MTA fare increases. Significantly, avoiding tax increases on wealthy individuals (15%) and reducing tax rates on corporations (15%) finish last when voters consider the importance of fifteen potential budget goals for the legislature and governor.

New Yorkers’ Budget Priorities

	Total 8-10*
Improve access to quality healthcare and long-term care for low-income families and seniors.	71
Close tax loopholes that mainly benefit the wealthy.	69
Avoid MTA fare increases (<i>asked in MTA region</i>).	64
Increase the share of taxes paid by wealthy individuals.	62
Increase tax revenue from wealthy individuals to expand funding for public education, public transit, healthcare, and child care.	61
Raise state taxes on corporations that benefit from federal tax loopholes.	59
Increase funding for K-12 public schools.	59
Increase the share of taxes paid by profitable corporations.	56
Invest in renewable energy.	55
Increase funding for affordable housing.	54
Increase funding to make child care universal.	52
Lower the cost of attending SUNY, CUNY, and other state colleges.	52
Expand tax breaks for businesses.	27
Reduce tax rates for corporations.	15
Avoid tax increases on wealthy individuals.	15
* Scale of 0-10, higher = more important.	