Excise Taxes

Primary Responsibility: TBD

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Overview

With members of Congress back in their districts for the August recess, allies and coalition groups implemented plans to contact representatives and express their opposition to excise tax increases. Activities included visits to congressional offices and media tours in select cities.

Upon returning to Washington in September, Congressional leaders are expected to resume budget negotiations. This phase of the process may be completed early in the month.

Highlights

After weeks of planning, allies and coalition groups implemented a wide range of grassroots outreach activities designed to carry the anti-excise tax message to congressional representatives. These efforts built on programs that were initiated earlier this year.

Organizations participating in the anti-excise tax letter-writing campaign continue to generate correspondence to Members. National groups contacted their state delegations, urging them to participate in the current debate. The national presidents of the Labor Council for Latin American Advancement and the A. Philip Randolph Institute encouraged local chapter leaders to contact their representatives concerning opposition to excise taxes.

In addition, Joyce Miller, national president of the Coalition of Labor Union Women (CLUW), mailed a copy of the organization's new tax brochure to all CLUW members, with a request that they contact policymakers regarding excise taxes.

Representatives of several organizations advocating tax fairness began a series of visits to their congressional representatives' district offices. For example, individuals from the labor movement discussed the AFL-CIO position on tax policy and explained the impact of regressive taxes on working men and women. A packet of materials expressing the labor movement's sentiments on taxation were prepared for the visits and left with Members following the meetings.

We received the final results of the Consumer Tax Alliance (CTA) pre- and post-testing survey of the group's anti-excise tax ads (phase II). The polling showed a dramatic change in public opinion with respect to the kinds of taxes people are willing to

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support. Overall, public opinion indicates strong opposition to increasing consumer excise taxes.

CTA Executive Director David Wilhelm followed up with the launch of a six week media tour to 16 cities in 10 states, covering nearly every market in which the ads ran. Tour sites scheduled in August included Des Moines, St. Louis, Kansas City, Omaha, Lansing, Detroit, Raleigh/Durham, Greensboro and Charlotte. The media has expressed considerable interest in CTA and the federal tax issue. In addition, the general public has been very receptive of Wilhelm's anti-excise messages.

Consulting economists Robert Tollison and Richard Wagner also conducted media tours in select markets. Tollison discussed the tax issue with television, radio and print reporters in Columbus/Cincinnati, Ohio, and Tampa/St. Petersburg, Florida. Wagner traveled to Houston, Texas, to conduct interviews.

Materials for the labor tax briefing program moved forward. The video script was finalized; production is scheduled for September, with a rough cut expected by month's end. We revised the text of the general tax brochure as well as the excise tax-specific piece.

In light of the situation in the Persian Gulf, the AFL-CIO called for the suspension of the Gramm-Rudman-Hollings law. At a press briefing, the AFL noted it would support long-term measures to restore progressivity to the federal tax code and indicated that relying on excise taxes would be worse for the economy.

The National Council of Senior Citizens (NCSC) passed a resolution in opposition to consumer excise taxes and the unfair burden the taxes place on retired Americans and low- and middle-income workers. In keeping with the AFL-CIO position on tax policy, NCSC reaffirmed its support of federal and state tax policy that is fair and progressive.

The American Agriculture Movement's (AAM) updated general membership brochure has been printed. In addition to providing an overview of the organization, the brochure highlights AAM's concern with the impact of excise taxes on the rural community. The piece will be used in the group's recruiting efforts as well as an educational piece for federal, state and local policymakers.

AAM conducted a media tour and held a dinner event in Florida. AAM President David Senter discussed farm issues and the impact of excise taxes on rural Americans with the press in Tallahassee and Tampa/St. Petersburg. Senter also discussed agriculture and tax issues with local farmers.

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Testing of the AAM state fair list is underway. A representative sample of the 20,000-name list will receive a questionnaire designed to assess attitudes and opinions on a variety of issues of concern to rural Americans, including taxes. The survey instrument also will assess the willingness of respondents to become actively involved in various issues.

Consulting economists' anti-excise tax op-eds continue to appear in print. Clifford Dobitz's article was published in the <u>Bismarck Tribune</u>; Michael Babcock's op-ed appeared in the <u>Manhattan Mercury</u>. <u>The Indianapolis Star</u> published an op-ed coauthored by Cecil Bohanan and John Horowitz.

Next Month's Goals

Finalize text of labor tax program materials.

Continue to work with consultants on CTA media tours.

Continue to work with consultants on grassroots outreach efforts.