



EMBARGOED FOR RELEASE UNTIL
Wednesday, April 2, 1986
9:00 AM

CONTACT: Bruce Fisher
(202) 898-3369

VOTERS SUPPORT FAIR TAX REFORM BUT
OPPOSE EXCISE TAX HIKE, CTJ POLL FINDS

Study reveals broad agreement on
closing corporate loopholes

Lessons for Legislators?

A new nationwide poll shows that American voters strongly favor tax reform, but overwhelmingly reject increased excise taxes as proposed by Sen. Robert Packwood's Senate Finance Committee.

While a majority of the registered voters surveyed by Citizens for Tax Justice agreed that tax reform should make everyone pay their fair share, fully 77% of the sample opposed raising federal excise taxes on air fares, beer and wine, tobacco and other consumer items. Voters strongly object to the fundamental unfairness of raising consumer taxes to pay for corporate tax loopholes.

"This poll demonstrates the existence of a broad constituency for loophole-closing, base-broadening tax reform that will bring basic fairness to both business and individual taxes," said Robert McIntyre, director of federal tax policy for Citizens for Tax Justice.

Perhaps its most important finding is that almost all voters not only reject paying for corporate tax breaks, but are willing to vote against political candidates who favor such breaks.

"Neither Republican nor Democratic voters buy the idea that corporations should get big tax breaks for which individuals foot the bill," said McIntyre.

"Voters roundly reject the loophole lobby's line, and maybe Oregon's Senator Packwood himself should take note."

Western residents polled were particularly unimpressed with the notion of increasing excise taxes in order to pay for loopholes.

Citizens
for Tax
Justice

1313 L Street NW
Washington, DC
20005
(202) 898-3369



"Corporate tax breaks, beside making our tax system unfair to those businesses and individuals who pay their fair share, are economically destructive. Voting American adults evidently know this, but for some reason the loophole lobby seems to have captured the Senate Finance Committee's imagination," said McIntyre.

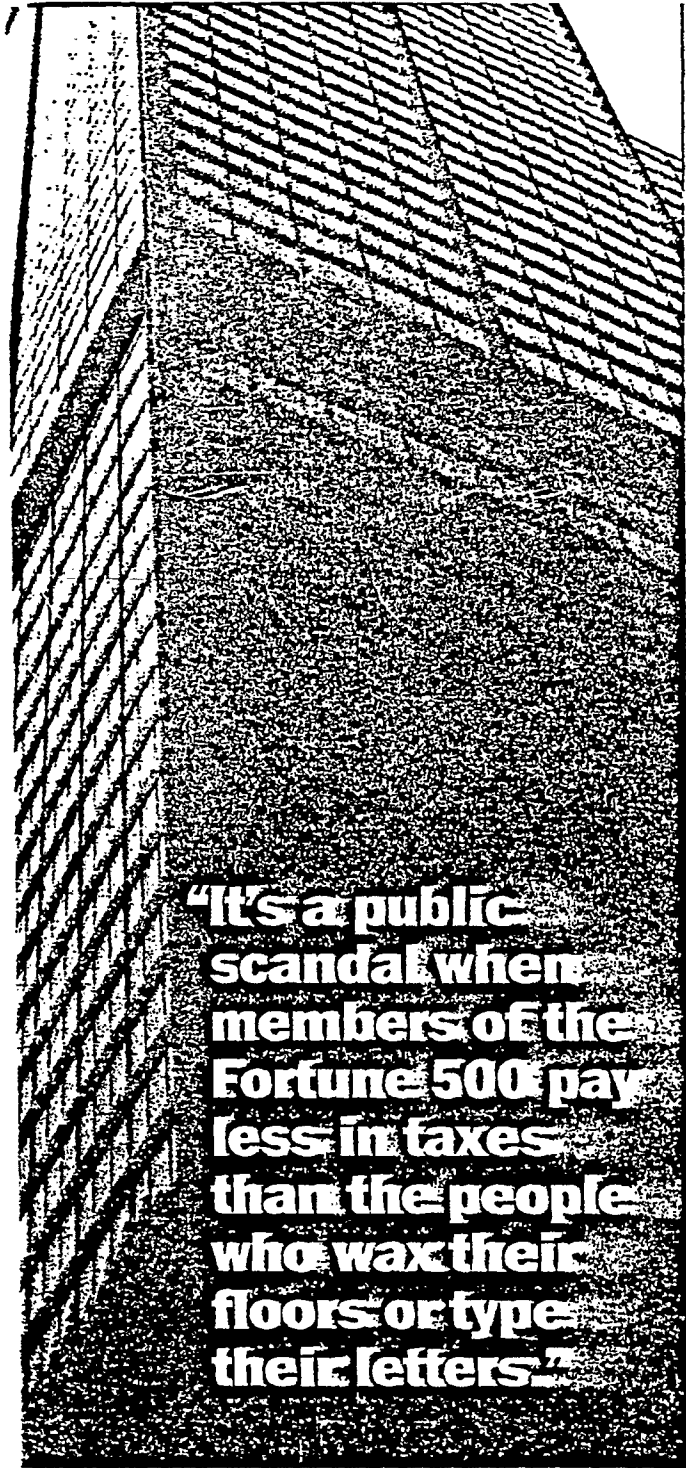
The poll found that:

- o 77% of registered voters reject the idea of paying higher excise taxes to pay for corporate tax loopholes;
- o 84% would rather halt corporate tax breaks than boost taxes on consumer goods, and by the same percentage would vote against candidates who favor loopholes and excise tax hikes;
- o More Americans (53%) think that making corporations pay their fair share of taxes is more important than cutting defense spending (27%) or reducing overall government spending (21%);
- o 63% of voters regard making sure everyone pays their fair share of taxes as more important than either simplifying the tax code or reducing rates for individuals;
- o Fully 86% of the voting Americans surveyed agree with the proposition that large corporations should start paying their fair share of taxes before levies on middle-income working people are increased.

"The loophole lobbyists want to destroy tax reform in the Senate because they could not destroy it in the House," said McIntyre.

"This data shows that the voters not only want tax reform but are willing to hold their representatives accountable. For any Senator who wants to fend off the powerful army of no-tax lobbyists that the big corporations have deployed, this poll is potent ammunition."

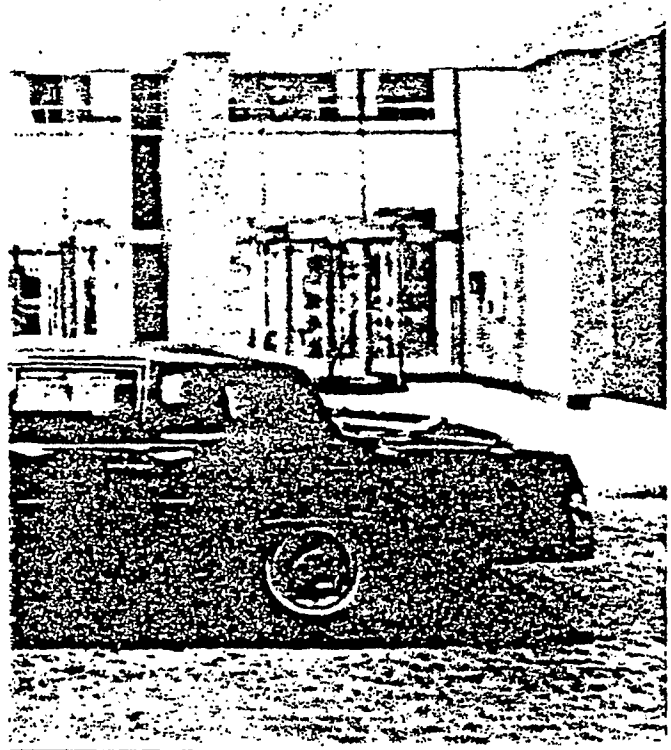
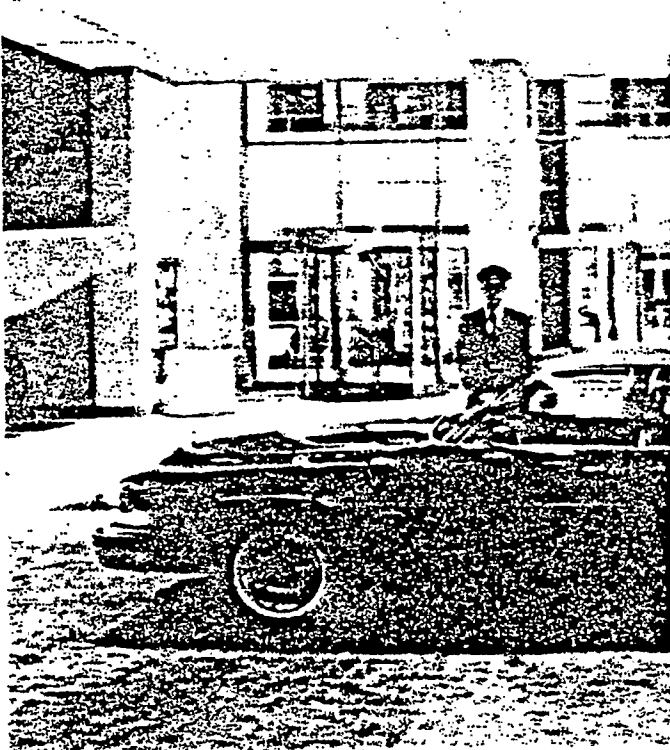
The poll of 603 registered voters was conducted for Citizens for Tax Justice by Fingerhut/Granados Opinion Research Co., a Washington-based survey researcher.



"It's a public scandal when members of the Fortune 500 pay less in taxes than the people who wax their floors or type their letters."

In the last four years, fifty large corporations made combined profits of \$57 billion. Not one of them paid any federal income tax.

In 1983 alone, over 30,000 wealthy people who earned more than \$250,000 each paid little or no federal income tax.



**They have a voice
in Washington.
Who speaks for
the rest of us?**

Citizens for Tax Justice

We're Making Sure That the People's Voice is Heard

Americans know that everyone isn't paying their fair share. Surveys show that people overwhelmingly agree that "corporations and high income families pay too little in federal income taxes" and that "the rich tend to get out of paying taxes by using accountants and lawyers."

These opinions are based on fact; a wide array of loopholes has made tax avoidance by the rich and powerful commonplace, shifting the burden to middle- and lower-income taxpayers, and fueling the deficit.

But the tax code didn't get the way it is today by accident. Big, profitable corporations and rich individuals employ an army of lobbyists to defend their interests.

Citizens for Tax Justice was formed in 1979 to give the rest of us a greater voice in the development of tax laws at the national, state, and local levels.

We were founded on the idea that tax burdens should be distributed according to the ability to pay them. Since then, Citizens for Tax Justice has become a forceful and effective advocate for the rest of us.

"For my money, the most useful Washington institutions of liberal thought today include . . . Citizens for Tax Justice, which has exposed the economic perversity of the administration's 1981 tax program."

—Robert Kuttner
The New Republic

"Corporate executives are encountering embarrassing questions about their taxes these days, mainly because a tenacious public-interest group called Citizens for Tax Justice is churning out devastating reports."

—William Safire
The New York Times

Citizens for Tax Justice Fights for the Rest of Us:

• With Hard-hitting Reports That Make a Difference

When Citizens for Tax Justice issues a report, corporate executives sit up and take notice. We name names and don't back down. We reveal which corporations pay federal income taxes—and which ones don't. And we expose the myths of supply-side economics with facts—facts that document the failure of corporate loopholes to produce new investment.

Our message gets out. Recent Citizens for Tax Justice reports have received coverage on all three television networks. And articles written by Citizens for Tax Justice staff members frequently appear in *The New York Times*, *The Washington Post*, *The Los Angeles Times*, *The New Republic* and other publications—big and small—across the country.

What makes Citizens for Tax Justice different from most Washington, D.C.-based organizations? At Citizens for Tax Justice research is just the beginning. Our publications serve as a spark for citizen action; we produce the needed data, and then make sure that it gets in the hands of people who fight for fair taxes before city councils, state legislatures, and Congress. We work with a growing network of labor, community, and church groups from every part of the country.

“... Mr. McIntyre (Citizens for Tax Justice's Director of Federal Tax Policy) appears to be having more influence on this year's tax debate than many of his corporate colleagues.”

—Alan Murray,
The Wall Street Journal

“Against the legions of powerful corporate lobbyists, Citizens for Tax Justice is brave, combative, and very effective. It's the average taxpayer's voice in Washington.”

—Dare Rostenkowski,
Chairman, House Ways and
Means Committee

● **By Giving Taxpayers
the Tools to Fight The
Loophole Lobbyists**

Citizens for Tax Justice goes head-to-head with the loophole lobbyists in the halls of state legislatures and Congress. We advocate needed reforms, guide legislative staffs in policy formulation, and testify on important tax issues.

—Citizens for Tax Justice was instrumental in defeating California's Proposition 9, also known as "Jarvis 2." This regressive proposal to cut the state personal income tax in half received widespread support in early public opinion polls. But Citizens for Tax Justice organizing efforts, reinforced with data showing that working families would be forced to pick up the tab for tax cuts for the rich, helped turn the tide.

—Citizens for Tax Justice spearheaded a national petition campaign that called on Congress to put a stop to corporate tax avoidance. With the help of more than seventy supporting organizations, we collected nearly one million signatures. These petitions were presented to Dan Rostenkowski, Chairman of the House Ways & Means Committee, just one day before his Committee began to draft a comprehensive tax reform bill.

—Citizens for Tax Justice played a key role in convincing many states to "decouple" their corporate tax rules from federal accelerated depreciation rules. We effectively put a stop to President Reagan's corporate tax breaks in these states, saving millions of dollars of tax revenues.

● **By Bringing
People Together**

Citizens for Tax Justice's effectiveness is tied to its ability to bring people together.

We invite you to come together with us in the fight to close tax loopholes.

Help us help you by making large corporations and the wealthy pay their fair share.

Complete this card and mail it today.

— I want to join Citizens for Tax Justice. Start my newsletter subscription today and send copies of your future reports. Enclosed is my check for \$20.

I want to order these reports:

— Corporate Taxpayers & Corporate Freeloaders	\$10
— The Failure of Corporate Tax Incentives	\$10
— Inequity and Decline	\$ 5

Name

Address

City State Zip

Citizens for Tax Justice
1313 L Street NW
Washington, DC 20005
(202) 898-3369

Member Organizations

AFL-CIO
American Federation of Government Employees
American Federation of State, County and
Municipal Employees
American Federation of Teachers
Arkansas ACORN
Bakery, Confectionary and Tobacco Workers
Building and Construction Trades Dept., AFL-CIO
California Tax Reform Association
Communications Workers of America
Congress Watch
Conference on Alternative State and Local Public
Policies
Consumer Federation of America
Illinois Public Action Council
Industrial Union Dept., AFL-CIO
International Association of Machinists
International Union of Operating Engineers
International Union, UAW
League of Women Voters
Massachusetts Fair Share
Missouri Coalition for Tax Reform
National Association for the Advancement of
Colored People
National Council of Senior Citizens
New Jersey Citizen Action
New York Public Interest Research Group
Office for Church in Society, United Church
of Christ
Ohio Public Interest Campaign
Pennsylvanians for Fair Taxes
Public Employee Dept., AFL-CIO
Service Employees International Union



Citizens for Tax Justice
1313 L Street NW
Washington, DC 20005