

NEWS RELEASE

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DC RESIDENTS SUPPORT TAXES TO PRESERVE SERVICES Poll on Mayor's Budget Shows Support for Revenue Increases And Opposition to Service Cuts

DC residents strongly support increasing income taxes on individuals making over \$200,000 a year as part of an effort to preserve funding for necessities like education, human services, and public safety according to a new poll.

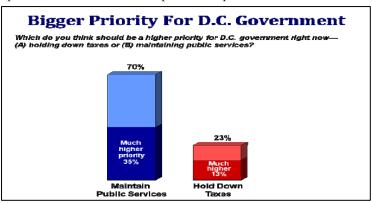
When asked about the best way to approach DC's \$322 million budget shortfall for the fiscal year that starts October 1, the largest group of DC voters said they support a balanced approach that includes a mix of tax increases and spending cuts instead of an approach that relies only on cuts.

The poll, conducted by Peter D. Hart Research Associates, was taken on April 20-22 of 504 likely voters and has a 4-point margin of error. It was commissioned by the DC Fiscal Policy Institute. "DC residents agree that modest tax increases on those making more than \$200,000 and those who use parking garages are reasonable steps to take so that the city does not have to reduce spending on schools, social services, and public safety," said Ed Lazere, executive director of the DC Fiscal Policy Institute. "The public clearly recognizes the need to invest in creating good jobs and a strong economy. People reject the idea that an approach focused only on cutting services makes sense."

A large majority - 70 percent - of poll respondents said it is more important to preserve services than to

hold down taxes. When presented information on the specifics of the proposed budget for next year, voters were more likely to agree that Mayor Gray's plan goes too far in cutting programs, particularly services for "those most in need of help." Support for a balanced approach was District-wide, and included higher income residents. The poll showed support for other revenue measures as well.

A large majority of DC voters express



concern about cuts in Mayor Gray's budget. More than two-thirds find specific reductions to be unacceptable, with the greatest objections to cuts in programs for people with disabilities, mental health services, education, and public safety. The poll divided the District into four ward groupings — combining wards 1 and 6; wards 2 and 3; wards 4 and 5; and wards 7 and 8— and voters in all four areas of the city said they found cuts in these services to be unacceptable.

The poll found DC voters support the tax increases in Mayor Gray's proposed budget. A large majority of DC voters support the proposal to create an 8.9 percent income tax bracket for individuals above \$200,000 — 85 percent for, to 14 percent against. Seventy percent support a proposed increase in the parking garage tax, with 25 percent against. Voters also expressed support for an effort to tax multi-state corporations, 87 percent to 8 percent. Support for tax increases, particularly the income tax increase, is strong across the city and even among those who would have to pay the income tax. Among voters with incomes of more than \$100,000, 90 percent say that they find the tax increase on voters earning more than \$200,000 to be acceptable.

The poll results and a summary memo from Hart Research Associates are available at http://www.dcfpi.org

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The <u>DC Fiscal Policy Institute</u> conducts research and public education on budget and tax issues in the District of Columbia, with a particular emphasis on issues that affect low- and moderate-income residents.