



Opinion Poll

Small Business Views on Deficit Reduction, Cuts to Social Security and Medicare

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Small Business Majority

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Executive Summary

Lawmakers dodged an economic bullet at the end of 2012 when they came to an 11th hour agreement on the highly publicized “fiscal cliff” issue. Not two months later, policymakers have yet another obstacle in their path that could have dire consequences for small business and the economy: what’s known in D.C. parlance as “sequestration.” The sequester is a host of automatic spending cuts set to begin March 1 because lawmakers haven’t agreed on a deal to reduce the deficit by their self-imposed deadline. As legislators work on a short-term plan that will buy time so they can focus on a comprehensive deficit reduction deal, national scientific polling makes one thing clear: small business owners strongly oppose any kind of deal that would reduce Social Security or Medicare benefits in favor of protecting unfair tax loopholes for large corporations and wealthy individuals.

When presented with several policy changes that could be part of a deal to help reduce our nation’s deficit, entrepreneurs viewed Social Security benefit reductions as the least acceptable policy change. Four in 5 small business owners believe it would be unacceptable, with 50% believing it would be very unacceptable. Specifically, a two-thirds majority agrees a proposal to change the way the cost of living is calculated—which would reduce Social Security benefits over time—is unacceptable. However, small business owners understand the need to reform our Social Security system. That helps explain why they find an alternative proposal acceptable: nearly three-quarters support raising the income cap on Social Security payroll taxes, which would mean the taxation of higher incomes currently not being taxed for Social Security.

Small business owners also strongly oppose cutting Medicare benefits in order to reduce the budget deficit. Three-quarters of respondents agree reducing Medicare benefits would be unacceptable, with close to half agreeing it’s very unacceptable. In addition, almost 7 in 10 oppose reducing Medicaid benefits.

While vast majorities of small business owners do not want Social Security, Medicare or Medicaid benefits reduced as part of a deficit reduction deal, they see several other places in the budget where revenue can be collected—without posing costs to small firms. For example, 4 in 5 small business owners support reforming the corporate tax code in a revenue positive manner, by closing corporate loopholes that favor large corporations, and at the same time, reasonably lowering the corporate tax rate.

Small business owners identify particular loopholes and tax breaks they would like to see closed. Loopholes that funnel billions of dollars into major gas and oil company coffers every year are something that 63% of entrepreneurs would like to see eliminated.

They also oppose the current system that gives huge tax breaks to hedge fund managers and other finance powerhouses, allowing them to avoid paying millions of tax dollars. The “carried interest” loophole lets these individuals pay a top tax rate of 20% on much of their earnings, which is only half of what they’d pay at the top rate for normal wages and salaries. Two-thirds of small employers disapprove of the carried interest loophole, and agree hedge fund managers should be taxed at normal wage and salary rates.

Closing tax loopholes is part of a balanced approach to our budget crisis, and one that will cost small business owners nothing. With 9 in 10 entrepreneurs viewing large and multinational corporations’ use of tax loopholes as a problem, according to additional polling we released in 2012, we simply cannot preserve these unfair tax breaks—especially not at the expense of critical programs like Social Security and Medicare.

The polling sample was majority Republican, with 52% of respondents identifying as Republican, 34% identifying as Democrat and 11% identifying as independent.

Main Findings

- **Four in 5 small business owners agree reducing Social Security benefits would not be an acceptable way to help reduce the federal budget deficit:**
When presented with several policy changes that could be part of a deal to help reduce our nation's deficit, entrepreneurs viewed Social Security benefit reductions as the least acceptable policy change: 80% believe it's unacceptable; 50% believe it's very unacceptable.
- **Three in 4 small business owners support raising the income cap on Social Security payroll taxes, so that higher incomes start being taxed for Social Security. Two in 3 say changing the cost of living calculation—which would reduce these benefits over time—would *not* be acceptable.**
Asked about specific changes that could be made to Social Security to help reduce the deficit, entrepreneurs overwhelmingly support (72%) raising the income cap on Social Security payroll taxes, enabling the taxation of higher incomes currently not being taxed for Social Security. One-third views this as *very* acceptable. On the other hand, a 64% majority believes it would be unacceptable to change the way cost of living is calculated, which would reduce benefits.
- **Three in 4 entrepreneurs oppose reducing Medicare benefits as part of a deficit reduction deal; 2 in 3 view reducing Medicaid benefits as unacceptable:**
74% of small business owners agree making cuts to Medicare benefits to help reduce the budget deficit would be unacceptable, with nearly half (46%) agreeing it's *very* unacceptable. In addition, 67% believe reducing Medicaid benefits would be unacceptable.
- **Four in 5 small employers support reforming the corporate tax code in a way that remains revenue positive by closing tax loopholes that favor large corporations, while reducing the top corporate tax rate:**
79% of small business owners support reforming the corporate tax code by reducing the top corporate tax rate from 35% to 28%, while remaining revenue positive by closing corporate loopholes that put small firms at a disadvantage.
- **The majority of respondents identify as Republican:**
52% of respondents identified as Republican or independent-leaning Republican, 34% as Democratic or independent-leaning Democratic and 11% as independent.

Related Findings From Recent Polling

Released Oct. 25, 2012:

- **Three-quarters of small businesses want loopholes favoring large corporations closed:**
72% of entrepreneurs believe tax loopholes that favor large corporations should be eliminated.
- **A strong majority of small business owners favor ending government subsidies to oil and gas companies:**
63% of entrepreneurs agree gas and oil company subsidies should be eliminated.
- **Two-thirds of small employers disapprove of the “carried interest” loophole that gives hedge fund managers a big break on their taxes:**
66% of entrepreneurs support (and 50% strongly support) taxing hedge fund managers at wage and salary rates rather than the capital gains rate they currently pay, which is equal to just half of the top wage and salary rate.
- **Nine in 10 entrepreneurs support eliminating tax breaks for moving production overseas and providing incentives to bring production home:**
90% agree (and three-quarters strongly agree) that we should get rid of tax breaks for moving production overseas while providing incentives for bringing production back to the U.S.

- **The majority of small employers believe the most important job for Congress and the president in 2013 is a plan to create jobs, compared to a plan to reduce the deficit:**
A 53% majority believes a plan to create more jobs should be the top priority for Congress and the president in 2013, and 47% strongly feel this way. A minority (42%) feel a plan to reduce the deficit is most important.
- **Nearly 6 in 10 see a productive role for government in helping small business thrive:**
57% agree government can play an effective role in helping small businesses achieve success.

Released Feb. 6, 2012:

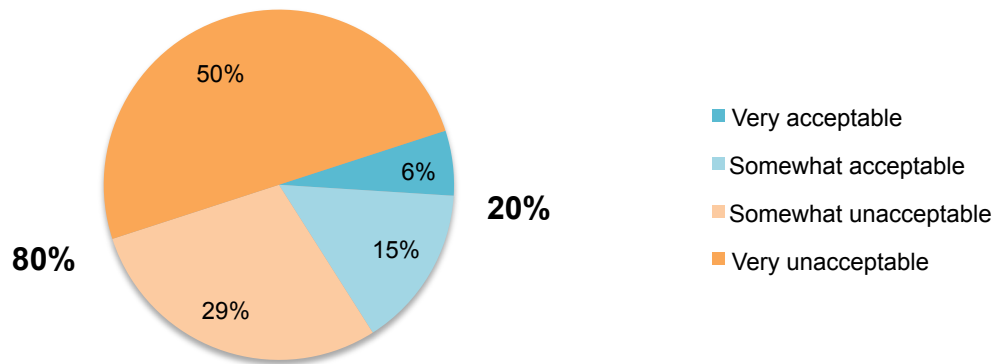
- **Nearly unanimously, small employers believe large domestic and multinational corporations use loopholes to avoid taxes that small businesses have to pay—and that it's a problem:**
A sweeping 90% believe big corporations use these kinds of loopholes, and 92% say their use of such loopholes is a problem. Similarly, 91% agree U.S. multinational corporations' use of accounting loopholes to shift their U.S. profits to offshore subsidiaries—allowing them to avoid taxes—is a problem. Moreover, a 55% majority agrees it's a very serious problem.
- **Nearly 7 in 10 entrepreneurs believe large corporations don't pay their fair share of taxes:**
67% of entrepreneurs believe big corporations pay less than their fair share of taxes.
- **A majority of small business owners say their business is harmed when big corporations use loopholes to avoid taxes:**
Three-quarters of respondents agree that their small business is harmed when loopholes allow big corporations to avoid taxes. More than one-third say it harms their business a lot.

Small Businesses Oppose Cutting Social Security and Medicare as Ways to Reduce Deficit

Small Business Majority polled small business owners to determine their attitudes toward potential elements of a deal to reduce the federal budget deficit. When presented with various policy changes that could be made, the one they were most opposed to was reducing Social Security benefits: 80% say this would be an unacceptable way to help reduce the deficit, and half say it would be very unacceptable.

■ **Figure 1: Four in 5 entrepreneurs agree cutting Social Security benefits is an unacceptable way to reduce our deficit**

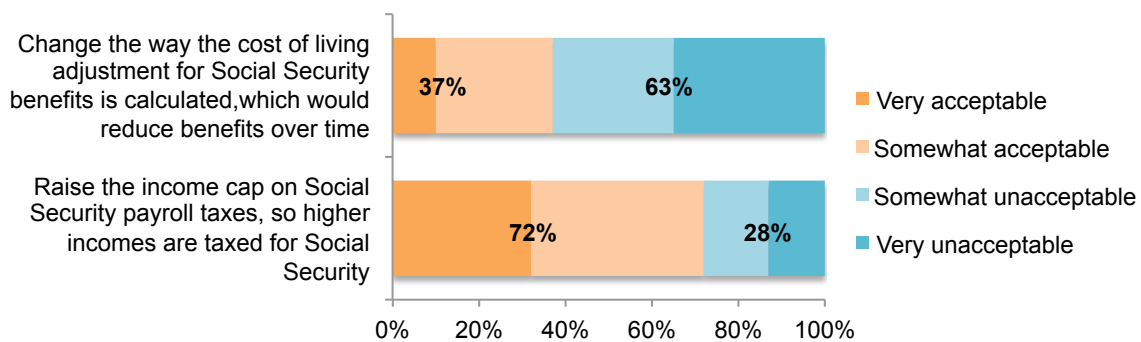
Would reducing Social Security benefits be acceptable as part of a deal to reduce the federal deficit?



Specifically, a 64% majority of entrepreneurs believe it would be unacceptable to change the way the cost of living is calculated, which would reduce Social Security benefits over time. But entrepreneurs understand our nation's need to reform Social Security so that it remains solvent, which helps explain their support for an alternative proposal: 72% support raising the income cap on Social Security payroll taxes, so that higher incomes currently not being taxed for Social Security start to be. One-third views this as very acceptable.

■ **Figure 2: Owners oppose changing the cost of living calculation, but support taxing higher income for Social Security**

Here are some policy changes that might be made as part of a deal to reduce the federal budget deficit. For each one, please say if it would be very acceptable, somewhat acceptable, somewhat unacceptable, or very unacceptable to you.

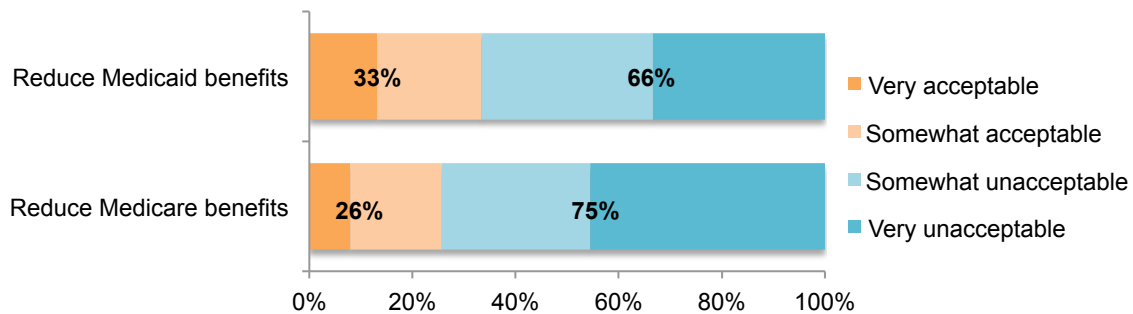


Small business owners also strongly oppose cutting Medicare benefits in order to reduce the budget deficit. Seventy-four percent of respondents agree making such reductions to Medicare benefits would be unacceptable. What's more, close to half, 46%, agree it would be very unacceptable.

In addition, almost 7 in 10 entrepreneurs believe reducing Medicaid benefits in order to help bring down our deficit would be unacceptable.

Figure 3: Strong majorities view Medicare and Medicaid benefit reductions as unacceptable

Here are some policy changes that might be made as part of a deal to reduce the federal budget deficit. For each one, please say if it would be very acceptable, somewhat acceptable, somewhat unacceptable, or very unacceptable to you.

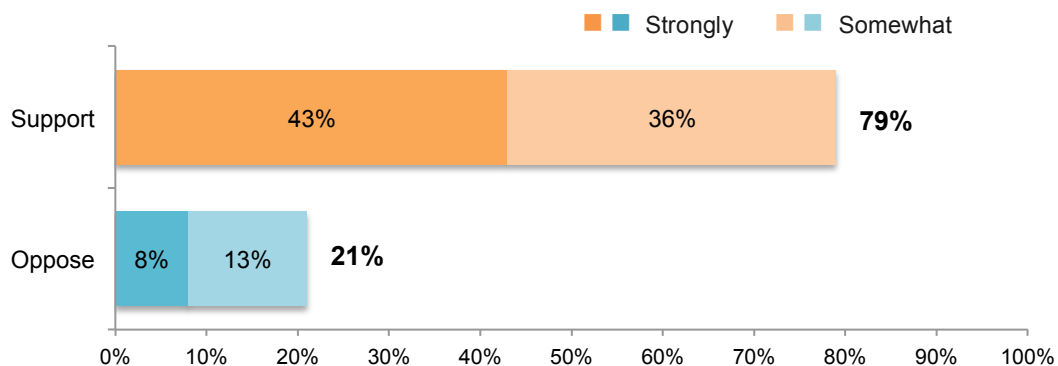


Entrepreneurs Support Revenue Positive Corporate Tax Reform That Eliminates Unfair Loopholes, Tax Breaks

Small business owners recognize the need to reform our corporate tax code and eliminate wasteful loopholes that put small firms at a disadvantage. That's why the vast majority of owners, 79%, support reforming the corporate tax code by closing corporate loopholes that favor large companies, while also reducing the corporate tax rate from 35% to 28%.

Figure 4: Four in 5 entrepreneurs support revenue positive corporate tax reform that eliminates loopholes favoring large corporations

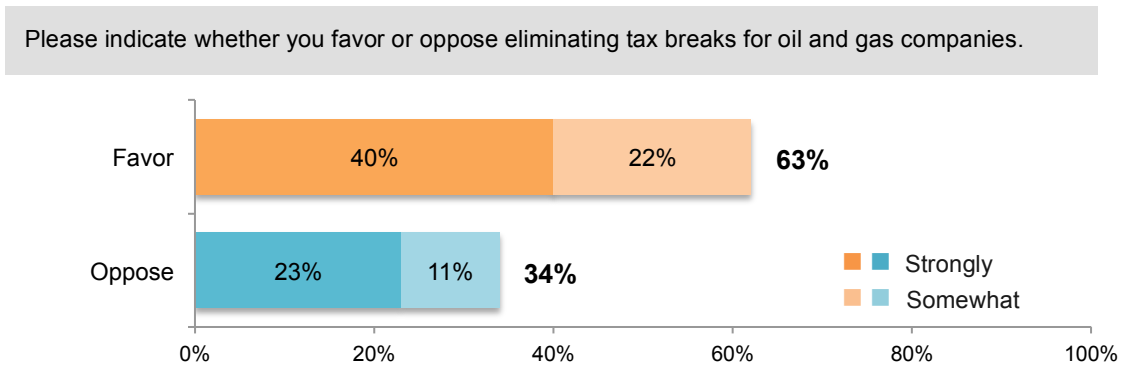
Would you SUPPORT or OPPOSE a proposal that reduces the top corporate tax rate from 35% to 28% while remaining revenue positive by closing tax loopholes that favor large corporations?



In general, 67% of entrepreneurs believe big corporations pay less than their fair share of taxes, and 72% believe tax loopholes that favor large corporations should be eliminated. And there are also several specific loopholes and tax breaks that our leading job creators would like to see removed.

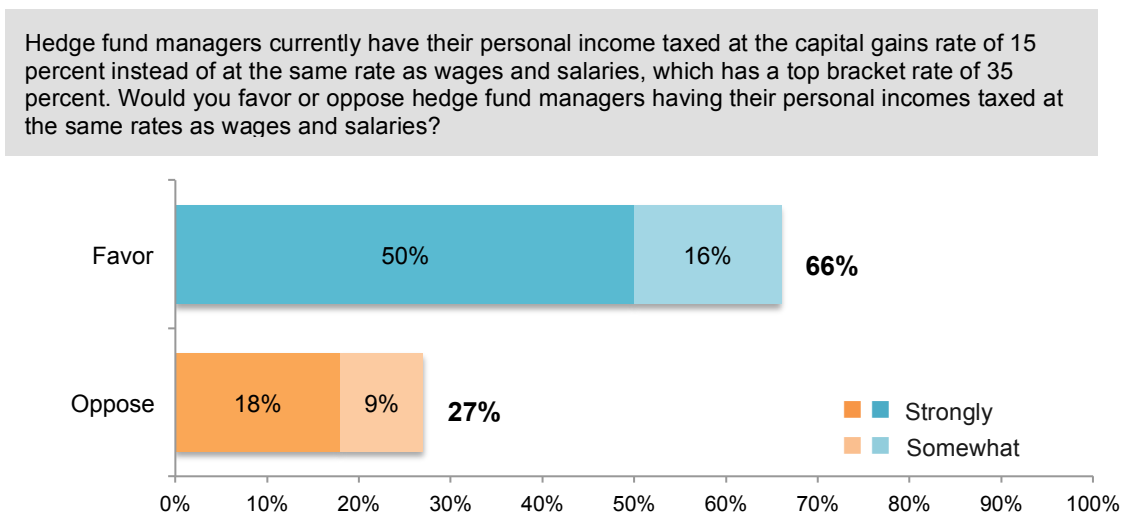
One of the major loopholes being discussed as lawmakers tackle sequestration is a loophole used by big gas and oil companies. Eliminating gas and oil subsidies, which allow these companies to avoid paying billions of tax dollars every year, is supported by 63% of entrepreneurs.

■ **Figure 5: Almost two-thirds want tax breaks for oil and gas companies eliminated**



The “carried interest” loophole is another huge tax break small business owners oppose. This loophole allows hedge fund managers and other finance powerhouses to pay a top tax rate of 20% on part of their earnings, which is only half of what they’d pay at the top rate for normal wages and salaries. Two-thirds of small employers believe “carried interest” should be eliminated, and that hedge fund managers should be taxed at normal wage and salary rates (the current top rate is 39.6%).¹

■ **Figure 6: Two-thirds of entrepreneurs believe “carried interest” loophole for hedge fund managers should be closed**



¹ Percentages may differ from graph, as respondents were polled prior to the top capital gains tax rate changing from 15% to 20% and the top ordinary income rate changing from 35% to 39.6%.

Loopholes for Large and Multinational Corporations Hurt Small Businesses' Bottom Lines

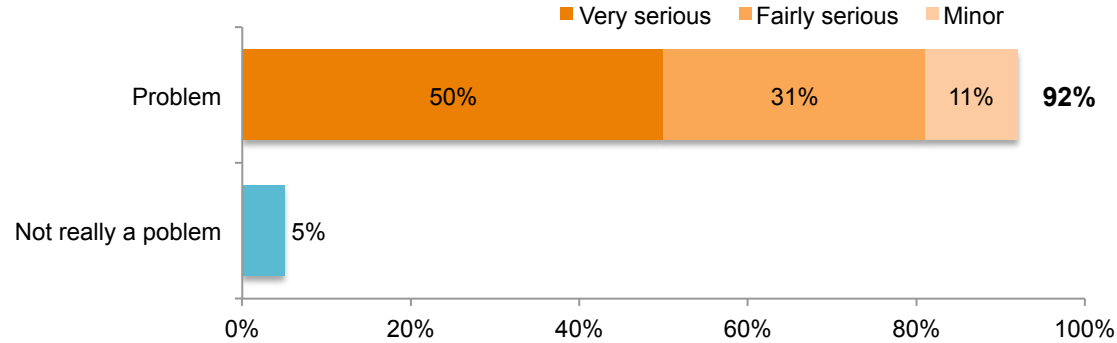
Nearly unanimously, small employers believe large domestic and multinational corporations use loopholes to avoid taxes that small businesses have to pay—and that it's a problem.

Specifically, 90% of small business owners believe big corporations use loopholes to avoid paying taxes small businesses have to pay. Furthermore, 92% agree their use of such loopholes is a problem to some degree or another.

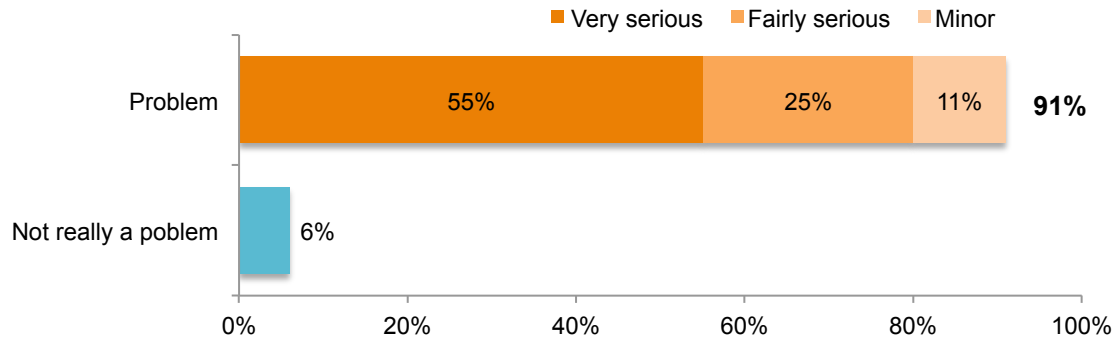
Similarly, 91% agree U.S. multinational corporations' use of accounting loopholes to shift their U.S. profits to offshore subsidiaries, allowing them to avoid taxes, is a problem. Moreover, a 55% majority agrees it's a *very serious* problem.

Figure 7: Nearly unanimously, small firms view large and multinational corporations' use of tax loopholes as a problem

Do you think tax loopholes for big corporations are a very serious problem, fairly serious problem, a minor problem, or not really a problem?

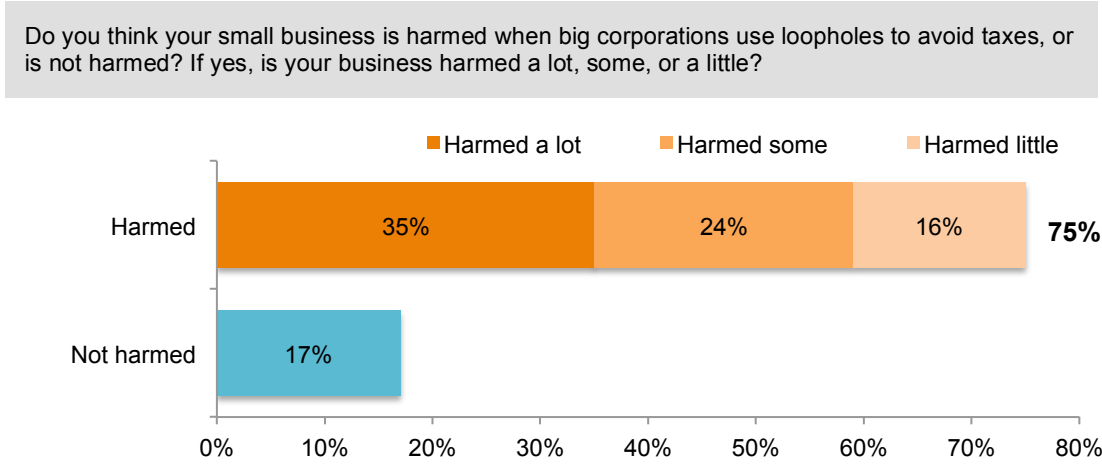


Do you think that U.S. multinational corporations using accounting loopholes to shift their U.S. profits to their offshore subsidiaries to avoid taxes is a very serious problem, fairly serious problem, a little bit serious, or not really a problem?



It's clear small business owners believe the economic playing field is uneven when it comes to taxes paid by businesses: three-quarters of entrepreneurs agree their own small business is harmed when loopholes allow big corporations to avoid taxes, and 35% say it harms their business a lot.

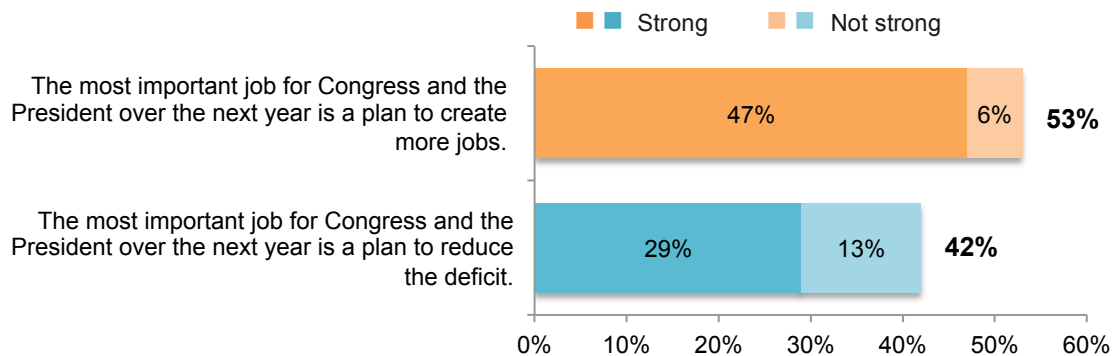
Figure 8: Three-quarters of owners say their business suffers when big corporations use loopholes



Small Businesses Don't Want Deficit Reduction to Compromise Job Creation

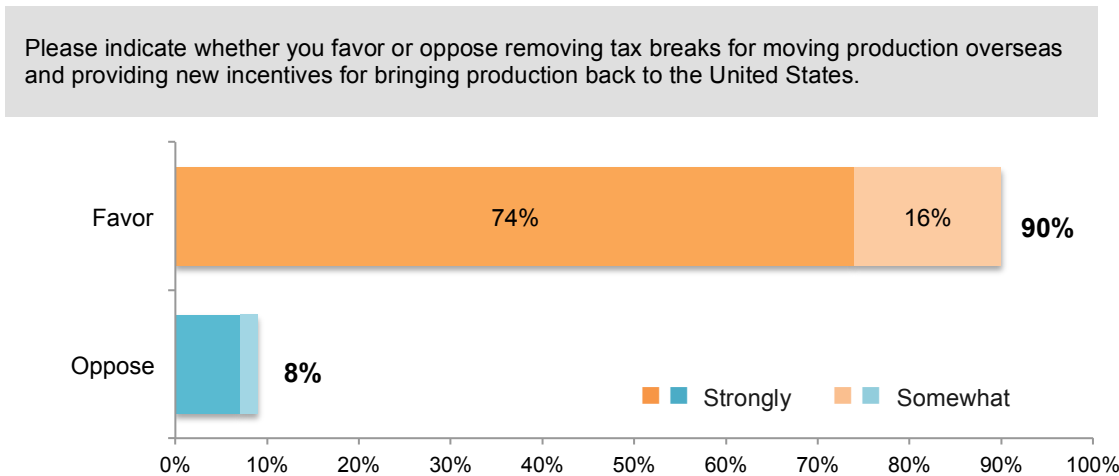
Small business owners recognize our nation has a fiscal crisis on its hands. However, they believe that as budget negotiations continue, lawmakers must be cognizant of the fact that our economy isn't out of the woods just yet—and we need to do everything we can to encourage job creation. That's why the majority of small employers (53%) believe the most important job for Congress and the president in 2013 is a plan to create jobs, and 47% strongly believe it. A minority (42%) feel a plan to reduce the deficit is most important.

Figure 9: A majority believes the top priority for Congress and the president in 2013 should be a plan to create jobs, over reducing the deficit



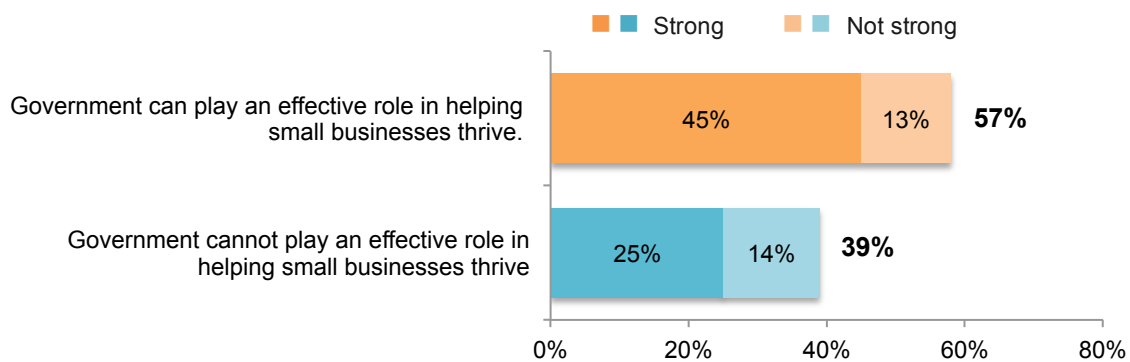
An important step that can be taken to ensure job creation isn't held hostage to politically motivated spending and tax priorities is to pursue policies that can create U.S. jobs. For example, small business owners almost unanimously agree (90%, with three-quarters strongly agreeing) that it's time to get rid of tax breaks for moving production overseas, while at the same time providing incentives for bringing production back to the U.S.

Figure 10: Nine in 10 owners support getting rid of tax breaks for moving production overseas while providing incentives for bringing production back to the US



Nearly 6 in 10 entrepreneurs agree government can play an effective role in helping small businesses achieve success. It's evident small business owners believe there are commonsense tax and spending policies lawmakers can pursue that can create jobs and push economic recovery forward— without adding to our deficit.

Figure 11: The majority of small businesses believe government can play an effective role in helping small businesses thrive



Conclusion

With sequestration looming, our nation's leading job creators are looking to policymakers for a balanced approach to our nation's fiscal dilemma. Not only do small businesses believe wasteful corporate loopholes should be eliminated—which would help reduce our nation's deficit—they also want Social Security and Medicare benefits to come out of budget negotiations whole. They don't want these benefits reduced in order to perpetuate loopholes and tax breaks for the wealthiest businesses and individuals.

Small business owners believe our economy needs to work for everyone, not just the big boys. But that doesn't mean they don't recognize the gravity of our country's budget crisis. That's why, as lawmakers tackle the deficit, any short-term measure or comprehensive deficit reduction deal must protect the government-funded programs entrepreneurs value—such as Social Security, Medicare and Medicaid—while closing loopholes that move billions of dollars away from our economy and into big corporations' coffers.

Things are on the upswing for small businesses, according to the latest economic data. If we want to keep it that way, lawmakers need to reduce our deficit in a balanced manner. That means pursuing revenue positive corporate tax reform that eliminates loopholes for the big guys and promotes a level economic playing field where everyone pays their fair share.

Methodology

Data released Feb. 20, 2013:

This poll reflects an Internet survey of 500 small business owners across the country, drawn from the Research Now panel and conducted by Lake Research Partners for Small Business Majority. The survey was conducted from Jan. 9-16, 2013. It has a margin of error of +/- 4.4%.

Data released Oct. 25, 2012:

This poll reflects a telephone survey of 500 small business owners across the nation, drawn from Survey Sampling International and Dun & Bradstreet, and conducted by Greenberg Quinlan Rosner Research for Small Business Majority. The survey was conducted from Sept. 27-Oct. 12, 2012. The overall margin of error is +/- 4.4%.

Data released Feb. 6, 2012:

This poll reflects an Internet survey of 500 small business owners nationwide, drawn from Harris Interactive with additional samples from InfoUSA, commissioned by Small Business Majority, Main Street Alliance and the American Sustainable Business Council. and conducted by Lake Research Partners. It has a margin of error of +/- 4.4%. The nationwide Internet survey was conducted between Dec. 8, 2011 and Jan. 4, 2012.

Poll Toplines

National online sample
 Field Dates: January 9th-16th, 2013
 500 Small Business Owners (1-99 employees)

	<i>Total</i>	<i>Self employed (1)</i>	<i>Smaller owners (2-9)</i>	<i>Larger owners (10-99)</i>
<i>N=</i>	<i>500</i>	<i>126</i>	<i>254</i>	<i>120</i>
Region				
New England	5	6	6	3
Middle Atlantic.....	14	11	14	17
East North Central	14	10	16	14
West North Central	7	5	8	7
South Atlantic.....	19	23	17	21
East South Central.....	5	6	3	8
West South Central	11	15	6	17
Mountain	8	8	10	4
Pacific	16	17	20	9

1. Just to confirm, are you the owner of a for-profit small business, who handles operations of the business or manages the employees?

Owner-operator.....	48	58	43	47
Owner-manager	12	3	12	21
Both	40	39	45	32
Neither.....	TERMINATE			
Don't know	TERMINATE			

2. Which of the following categories best describes your business?

Manufacturing or construction.....	16	6	15	26
Retail or restaurant	18	12	20	21
Accountant or financial adviser	4	6	4	4
Financial services (other than accountants and financial advisors).....	TERMINATE			
Other services.....	37	49	34	31
Other [add text box].....	24	26	27	17

3. Approximately how many people work 30 or more hours per week at your company, including yourself? Please don't include contractors.

Self-employed (1 employee).....	25	100	0	0
Smaller owners (2-9 employees)	49	0	100	0
Larger owners (10-99 employees)	26	0	0	100

4. **SSA:** Now turning to something a little different. As you may know, there are discussions about reforming the corporate tax code. Would you SUPPORT or OPPOSE a proposal that reduces the top corporate tax rate from 35% to 28% while remaining revenue positive by closing tax loopholes that favor large corporations?

Strongly support.....	43	43	40	51
Somewhat support	36	42	36	29
Somewhat oppose.....	13	8	16	11
Strongly oppose.....	8	7	8	9
Strongly /somewhat support.....	79	85	76	80
Strongly /somewhat oppose	21	15	24	20

	<i>Self employed</i>	<i>Smaller owners</i>	<i>Larger owners</i>
	(1)	(2-9)	(10-99)
<i>Total</i>	<i>500</i>	<i>126</i>	<i>254</i>
<i>N=</i>	<i>500</i>	<i>126</i>	<i>120</i>

5. **SSB:** Now turning to something a little different. As you may know, there are discussions about reforming the corporate tax code. Would you SUPPORT or OPPOSE a proposal that reduces the top corporate tax rate from 35% to 28% while remaining revenue neutral by closing tax loopholes that favor large corporations?

Strongly support.....	43	33	44	49
Somewhat support	41	39	43	41
Somewhat oppose.....	10	21	8	3
Strongly oppose.....	6	6	5	7
Strongly /somewhat support.....	84	73	87	90
Strongly /somewhat oppose	16	27	13	10

Here are some policy changes that might be made as part of a deal to reduce the federal budget deficit. For each one, please say if it would be VERY acceptable, SOMEWHAT acceptable, SOMEWHAT unacceptable, or VERY unacceptable to you. **RANDOMIZE**

6. Reduce Social Security benefits

Very acceptable	6	6	5	7
Somewhat acceptable.....	15	11	14	20
Somewhat unacceptable.....	29	28	27	35
Very unacceptable	50	55	55	37
Very /somewhat acceptable.....	20	17	18	27
Very /somewhat unacceptable.....	80	83	82	73

7. Change the way the cost of living adjustment for Social Security benefits is calculated, which would reduce benefits over time

Very acceptable	10	8	9	13
Somewhat acceptable.....	27	20	25	36
Somewhat unacceptable.....	28	27	31	24
Very unacceptable	35	45	35	27
Very /somewhat acceptable.....	36	28	34	49
Very /somewhat unacceptable.....	64	72	66	51

8. Reduce Medicare benefits

Very acceptable	8	6	7	11
Somewhat acceptable.....	18	12	15	28
Somewhat unacceptable.....	29	33	28	26
Very unacceptable	46	49	50	35
Very /somewhat acceptable.....	26	18	23	39
Very /somewhat unacceptable.....	74	82	77	61

9. Reduce Medicaid benefits

Very acceptable	13	10	13	16
Somewhat acceptable.....	20	18	18	26
Somewhat unacceptable.....	33	33	32	36
Very unacceptable	33	38	37	21
Very /somewhat acceptable.....	33	29	31	43
Very /somewhat unacceptable.....	67	71	69	57

	<i>Total</i>	<i>Self employed (1)</i>	<i>Smaller owners (2-9)</i>	<i>Larger owners (10-99)</i>
N=	500	126	254	120

10. Raise the income cap on Social Security payroll taxes, so higher incomes are taxed for Social Security.

Very acceptable	32	38	30	30
Somewhat acceptable.....	40	35	43	39
Somewhat unacceptable.....	15	12	15	18
Very unacceptable	13	14	12	13
Very /somewhat acceptable.....	72	74	73	69
Very /somewhat unacceptable.....	28	26	27	31

Finally, just some remaining questions for statistical purposes only.

11. Generally speaking, do you think of yourself as a Republican, a Democrat, an independent, or something else?

IF INDEPENDENT: Would you say that you lean more toward the Republicans or more toward the Democrats?

Republican.....	36	34	36	39
Independent - lean Republican	16	18	17	12
Republican	52	52	53	51
Independent.....	11	10	12	10
Democratic.....	34	36	32	36
Independent - lean Democratic	12	11	11	15
Democrat	22	26	21	21
Other party	3	2	4	3

12. What is your age?

18 24	1	0	1	1
25 29	2	3	2	3
30 34.....	4	4	3	7
35 39	6	5	4	12
40 44.....	8	5	8	9
45 49	13	15	12	11
50 54.....	17	12	16	24
55 59	21	23	23	13
60 64.....	14	13	17	11
65 69	9	13	9	6
70 74	3	6	2	1
Over 75.....	2	2	2	2
(Not ascertained).....	0	0	0	0

Toplines released Oct. 25, 2012:

Sept. 27-Oct. 12, 2012
500 Small Business Owners

1 Do you own your own business?

	Total
Yes	100
No	-
Not sure	-
(ref:SBOSCR)	

2 How many people are directly employed by your business or company, including yourself?

	Total
1	31
2-5.....	48
6-10.....	9
11-25	7
26-50	3
51-100	2
More than 100	-
(ref:NUMEMPLY)	

	1st	1st	2nd	2nd				
	Stmnt	Not	Not	Stmnt	DK/	Total	Total	1st
	Strng	Strng	Strng	Strng	Ref	1st	2nd	2nd

3. The most important job for Congress and the President over the next year is a plan to create more jobs.

OR

The most important job for Congress and the President over the next year is a plan to reduce the deficit.

47	6	13	29	5	53	42	11
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[250 Respondents]

4. (SPLIT QUESTION/HALF SAMPLE)
Government can play an effective role in helping small businesses thrive.

OR

Government cannot play an effective role in helping small businesses thrive.

45	13	14	25	4	57	39	19
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Now I am going to read you several proposals people have made to deal with the tax and budget issue. Some of these are designed to reduce the deficit by raising revenue or cutting spending. Others are designed to improve the economy and create jobs. Please indicate whether you favor or oppose each.

	Strng Fav	Smwt Fav	Smwt Opp	Strng Opp	Dk/ Ref	Total Fav	Total Opp	Fav - Opp
[250 Respondents]								
5. (SPLIT QUESTION/HALF SAMPLE)								
Eliminating tax loopholes that favor large corporations.	56	16	8	15	4	72	23	49
[250 Respondents]								
6. (SPLIT QUESTION/HALF SAMPLE)								
Eliminating tax loopholes that favor large corporations, but also lowering the corporate tax rate.	36	31	11	15	7	67	26	40
[250 Respondents]								
7. (SPLIT QUESTION/HALF SAMPLE)								
Eliminating tax breaks for oil and gas companies.	40	22	11	23	4	63	34	29
[250 Respondents]								
8. (SPLIT QUESTION/HALF SAMPLE)								
Removing tax breaks for moving production overseas and providing new incentives for bringing production back to the United States.	74	16	2	7	2	90	8	81

9. Hedge fund managers currently have their personal income taxed at the capital gains rate of 15 percent instead of at the same rate as wages and salaries, which has a top bracket rate of 35 percent. Would you favor or oppose hedge fund managers having their personal incomes taxed at the same rates as wages and salaries?

	Total
Strongly favor	50
Somewhat favor	16
Somewhat oppose	9
Strongly oppose.....	18
(Don't know/Refused)	7
Total favor	66
Total oppose	27
Favor - Oppose	39
(ref:HEDGE)	

10. These last questions are for statistical purposes only: Which of the following categories best describes your business?

	Total
Non-retail services	27
Manufacturing or construction	25
Retail or restaurant	17
Agriculture	4
Other	24
(Refused)	2
(ref:BUSTYPE)	

11. In what year were you born?

	Total
18 - 24	-
25 - 29	2
30 - 34	5
35 - 39	7
40 - 44	11
45 - 49	11
50 - 54	14
55 - 59	14
60 - 64	14
65 and over	16
(No answer)	6
(ref:AGE)	

12. Generally speaking, do you think of yourself as a Republican, a Democrat, an Independent, or something else?

	Total
Democrat	24
Independent-lean Democrat	11
Independent	8
Independent-lean Republican	15
Republican	32
Other	2
Don't know/Refused	8
(ref:PTYID1)	

13. For statistical purposes only, which of these categories best describes the gross revenue of your business in 2011?

	Total
Less than \$100,000	25
\$100,000 to under \$250,000.....	24
\$250,000 to under \$500,000	13
\$500,000 to under \$1 million	11
\$1 million to under \$2 million.....	5
\$2 million or more	7
Don't know	4
Prefer not to say	11
Under \$500K.....	62
\$500K or more	23

14. For statistical purposes only, which of these categories best describes your family's personal income- including any pass through income from your business- in 2011? Just stop me when I get to the right category.

	Total
Less than \$50,000	21
\$50,000-\$99,999	29
\$100,000-\$249,999	23
\$250,000-\$999,999	4
Over \$1 million.....	1
Don't know	4
Prefer not to say	17
Under \$100,000	50
\$100,000-\$999,999	28
(ref:PERSINC)	

15. What is your race?

	Total
White	79
African American or Black.....	5
Hispanic or Latino	6
Asian or Pacific Islander	3
American Indian or Native American	1
Other	1
Biracial or multiracial	0
Prefer not to say	5
(ref:RACE)	

16. Record respondent's gender

	Total
Male.....	63
Female	37
(ref:GENDER)	

Toplines released Feb. 6, 2012:

Dec. 8, 2011-Jan. 4, 2012
500 small business owners

Just to confirm, are you the owner of a for-profit small business, who handles operations of the business or manages the employees?

	TOTAL (%)	Business Size (by number of employees, including owner)		
		1	2-9	10+
Owner-operator	46	58	42	39
Owner-manager	10	3	10	19
Both	44	39	47	43
Neither	TERMINATE			
Don't know	TERMINATE			

1. Approximately how many people work 30 or more hours per week at your company, including yourself? Please don't include contractors.

Self-employed	26	100	0	0
2 – 14 employees	58	0	100	29
15 – 20 employees	7	0	0	30
21 – 99 employees	9	0	0	41

Turning to another topic, for each of the following, do you think they pay more than their fair share of taxes, pay their fair share, or pay less than their fair share?

2. Big corporations

More than fair	7	5	8	8
Fair share	21	13	21	28
Less than fair	67	77	65	63
Don't know	4	4	6	1

3. Do big corporations use tax loopholes to avoid taxes that small businesses have to pay?

Yes, they do use loopholes	90	91	90	91
No, they do not use loopholes	3	2	3	4
Don't know	7	7	8	4

4. Do you think tax loopholes for big corporations are a very serious problem, fairly serious problem, a minor problem, or not really a problem?

Very serious problem	50	54	50	47
Fairly serious problem	31	30	30	33
Minor problem	11	6	11	16
Not really a problem	5	5	7	3
Don't know	3	4	3	2
Very /Fairly serious / Minor problem	92	91	90	95
Not really a problem	5	5	7	3

5. Do you think your small business is harmed when big corporations use loopholes to avoid taxes, or is not harmed? If yes, is your business harmed a lot, some, or a little?

	Business Size (by number of employees, including owner)			
	TOTAL (%)	1	2-9	10+
Yes, harmed a lot	35	34	37	31
Yes, harmed some.....	24	24	23	27
Yes, harmed a little	16	11	18	19
All Yes, harmed.....	75	69	78	77
Not harmed.....	17	18	16	20
Don't know.....	7	14	6	3

6. Do you think that U.S. multinational corporations using accounting loopholes to shift their U.S. profits to their offshore subsidiaries to avoid taxes is a very serious problem, fairly serious problem, a little bit serious, or not really a problem?

Very serious problem.....	55	54	58	51
Fairly serious problem.....	25	31	20	29
A little bit serious.....	11	7	13	10
Not really a problem	6	3	7	9
Don't know.....	3	4	3	1
Very /Fairly serious / Minor problem.....	91	93	90	90
Not really a problem.....	6	3	7	9

7. Which of the following categories best describes your business?

Manufacturing or construction	16	8	15	25
Retail or restaurant	14	11	17	10
Non-retail services.....	50	64	46	43
Other	21	18	22	22

8. Generally speaking, do you think of yourself as a Republican, a Democrat, an independent, or something else?

IF INDEPENDENT: Would you say that you lean more toward the Republicans or more toward the Democrats?

Republican	27	20	28	32
independent - lean Republican	23	17	25	25
independent.....	15	18	13	16
independent - lean Democratic.....	18	20	18	14
Democrat	14	19	14	10
Other party.....	3	6	2	3

9. What is your age?

Business Size
(by number of employees, including owner)

	TOTAL (%)	1	2-9	10+
Under 40	11	13	11	11
40 44	9	12	7	11
45 49	14	16	12	17
50 54	7	4	7	12
55 59	17	14	19	16
60 64	18	18	18	18
65 69	12	15	12	8
70 74	7	7	7	3
Over 75	4	1	6	4
Don't know /Refused)	0	0	0	0

10. Are you male or female?

Male	63	58	57	82
Female.....	37	42	43	18

11. For statistical purposes only, which of these categories best describes the gross revenue of your business in 2010?

Under \$250,000	39	73	38	5
\$250,000 to \$500,000	12	2	22	3
Over \$500,000 to \$1 million.....	8	1	12	9
Over \$1 million to \$2 million	11	1	7	33
Over \$2 million to \$5 million.....	6	0	3	19
Over \$5 million to \$10 million	2	0	1	9
Over \$10 million	2	0	0	7
Decline to answer	18	22	18	15

AMONG THOSE WHO DO

NOT DECLINE	N= 409	99	212	98
Under \$250,000	48	94	46	6
\$250,000 to \$500,000	15	3	26	4
Over \$500,000 to \$1 million.....	10	1	14	11
Over \$1 million to \$2 million	14	1	8	38
Over \$2 million to \$5 million.....	8	0	4	22
Over \$5 million to \$10 million	3	0	1	10
Over \$10 million	2	0	0	9

12. In which of the following ranges does your total annual household income fall, before taxes?

	Business Size (by number of employees, including owner)			
	TOTAL (%)	1	2-9	10+
Less than \$25,000	4	6	5	1
\$25,000-\$34,999	4	6	4	0
\$35,000-\$49,999	7	13	8	1
\$50,000-\$74,999	14	15	16	7
\$75,000-\$99,999	13	12	14	14
\$100,000-\$149,999.....	17	12	18	20
\$150,000-\$249,999	16	8	13	31
\$250,000-\$499,999.....	3	0	3	7
\$500,000-\$999,999.....	0	1	0	1
Over \$1 million	0	0	0	1
Decline to answer	21	28	19	17
AMONG THOSE WHO DO				
NOT DECLINE	N= 396	93	208	95
Less than \$25,000	5	9	6	2
\$25,000-\$34,999	5	9	5	0
\$35,000-\$49,999	9	18	10	1
\$50,000-\$74,999	17	20	20	9
\$75,000-\$99,999	17	16	17	16
\$100,000-\$149,999.....	21	17	22	25
\$150,000-\$249,999	20	11	16	38
\$250,000-\$499,999.....	4	1	4	8
\$500,000-\$999,999.....	0	1	0	1
Over \$1 million	0	0	0	2

13. And just to make sure we have a representative sample, could you please identify which of the following descriptions best fit your company? Please check all that apply:

Minority-Owned Business	12	17	10	12
Woman-Owned Business	34	38	36	25
Veteran-Owned Business	15	23	13	12
None of the Above	49	40	50	59

14. Region

New England.....	5	6	5	4
Middle Atlantic	15	16	14	13
East North Central.....	14	8	14	21
West North Central.....	7	6	8	5
South Atlantic	20	21	19	22
East South Central.....	5	7	5	3
West South Central.....	10	9	10	11
Mountain	8	14	7	3
Pacific.....	16	12	18	17