

THE

LUNTZ RESEARCH COMPANIES

Luntz Research & Strategic Services ■ The Public Opinion Company ■ Luntz Corporate ■ Luntz Worldwide

MEMORANDUM

To: Interested Parties
From: Frank Luntz
Re: The Death Tax & Gay and Lesbian Americans
Date: April 24, 2001

OVERVIEW

The message to policymakers from this poll is clear. Gay and lesbian Americans overwhelmingly think they and their families are discriminated against by the "death tax," and they want this tax abolished. Fully 80% of the gays and lesbians in this study voted for Gore in the 2000 elections, demonstrating that Republicans and Democrats have found common ground on this issue. Just as they believe gay families should be subject to the same laws and legal responsibilities as traditional families, they too should share the same rights and benefits. Not only are death taxes perceived as double or triple taxation for gay and lesbian partners and families, but they are strongly viewed as *unfair* and *discriminatory*.

KEY CONCLUSIONS

- 1) *Elimination of the estate tax is a bipartisan issue.* While cutting or eliminating taxes has traditionally been seen as a Republican issue, 83% of gays and lesbians that support death tax repeal were 2000 Gore voters. Additionally, these same Gore voters overwhelmingly support a candidate that calls for the elimination of death taxes.

Two political candidates with opposing views on death taxes were described to respondents. They were then asked whom they would vote for if that were all they knew about the candidates. *Even among self-described gays and lesbians that voted for Al Gore, the results were overwhelmingly in favor of death tax abolition.*

Candidate Smith

Death taxes should be eliminated. They are unfair because they single out those who save and invest for no other reason than because they are successful. Inheritance taxes are an extreme form of double taxation, and the rate, which can be as high as 55%, is higher than even the highest federal income tax rates.

Candidate Jones

Inheritance taxes should be kept. Inheritances of less than \$675,000 are not taxed, and therefore inheritance taxes affect only the richest two or three percent of Americans. The wealthy are able to take advantage of tax loopholes to avoid paying their income taxes, and inheritance taxes restore fairness to the system by making up for some of the money that is lost.

*Now, if that's all you knew about the two candidates,
which one would you support? (AMONG GORE VOTERS)*

Candidate Smith	61%
Candidate Jones	30%
Don't Know	9%

- 2) **The estate tax is discriminatory and should be repealed.** No tax reform package is easier to explain than the repeal of the death tax. Gay and lesbian respondents clearly understood it and 72% of them believe it is “*discriminatory.*” When asked if they would support a law to eliminate the estate tax, even though they knew they may not benefit, 82% stated they would.
- 3) **Estate taxes hurt everyone, not just the wealthy.** When asked whether they agreed or disagreed with various arguments for and against the death tax, several themes emerged. First, 71% of respondents don’t think inheritance should be taxed at a higher rate just because it wasn’t earned income and 59% do not believe it’s progressive. Second, an overwhelming number of gays and lesbians (81%) polled believe that the death tax is unfair because of the “extreme” tax rate, and a similar percentage (77%) oppose the tax because of the potential for American families to be taxed two or three times.

GAYS AND LESBIANS DISCUSS THEIR OPINIONS ON ESTATE TAXES		
	Agree	Disagree
“People do not work for inherited income, so inheritances should be taxed at a higher rate since it is not earned income”	26%	71%
“The estate tax is progressive, and it only affects the wealthiest Americans. Right now, inheritances of less than \$675,000 are not taxed. Since only the richest two or three percent of Americans have estates that high, the death tax should not be reduced.”	37%	59%
“Inheritance taxes represent double and triple taxation. It is unfair for people to pay taxes on their income, and then more taxes on what they save, and a third time when they die.”	77%	20%
“Death taxes are unfair because they single out those who save and invest for no reason other than the fact that they became successful and then died.”	65%	31%

- 4) **Make us subject to the same laws but give us the same benefits. Traditional spouses are exempt from estate taxes, so why aren’t we?** The results here are beyond question. Fully 99% of self-described gays and lesbians believe they should be subject to the same laws as traditional married couples, and 98% believe that they should receive the same benefits as married couples. And 97% believe that just like traditional married couples, they too should have the right to pass along their assets to their partner without paying up to 55% in death taxes. *This is as close to unanimity as any issue or opinion we have ever tested.*

METHODOLOGY

Using a nationwide list of likely gays and lesbians, 600 adults were surveyed by telephone from April 7-11, 2001. The margin of error for this survey is +/-4%.