Our recent statewide survey of likely 2018 midterm voters in Nebraska (see statement of survey methodology on the last page of this memo) shows strong support for a number of new revenue options for state government to consider to balance the budget and fund core responsibilities. The most broad and intense support comes around the notion of a millionaires tax; nearly 8-in-10 voters (78 percent) favor raising state income taxes on people making more than one million dollars a year. Almost as many voters (72 percent) favor raising income taxes on people making more than five hundred thousand dollars a year. Additionally, two-thirds of Nebraska voters (66 percent) favor reinstating estate taxes on estates worth more than eleven million dollars.

Nebraska voters are also open to tapping corporations for new revenues. Closing a loophole in Nebraska’s tax code that allows some corporate shareholders to avoid paying Nebraska state income tax on income they earn in other states is met with nearly as much support (68 percent favor) as tax increases on the wealthy. What’s more, about six-in-ten voters (59 percent) favor raising taxes on corporate profits.

Though raising taxes on cigarettes is also broadly popular (72 percent favor), voters are not on board with an increase in the state sales tax rate. Overall just 29 percent of voters favor raising the state sales tax, and only 26 percent favor increasing user fees, like the state park fee, gas tax, and motor vehicle registration fees.

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1 Questions about higher income taxes were asked using a split sample methodology. A randomly assigned 300 respondents were asked about raising income taxes on those making more than $1MM/year, and the other randomly assigned 300 respondents were asked about raising income taxes on those making more than $500,000/year.
Notably, voters’ openness to new streams of revenue does not live in a vacuum. It is clear from the data in this poll that support for new revenue at least correlates, and is likely driven by, a desire for more funding for core state responsibilities. Indeed, we find that broad pluralities of voters think there is a great need (as measured on a four-point scale – great need, some need, a little need, no real need) to increase state spending and investment in a variety of areas.

Healthcare-related priorities generally top the list, as roughly 8-in-10 voters think there is either a great need or some need to increase state spending on healthcare (78 percent), mental health treatment (79 percent), and services for senior citizens (80 percent). Highways and roads are also a top priority for increased state spending and investment (82).

Significant majorities of Nebraska voters also think there is a great need or some need for increased state spending on K-12 schools (71 percent), child care and early childhood education (67 percent), public safety and law enforcement (74 percent), and jobs and technical training (75 percent). Comparatively fewer voters think there is a need for more state spending on tax incentives for businesses (49 percent).
Statement on Survey Methodology

TargetSmart designed and administered this telephone survey conducted by professional interviewers. The survey reached 600 adults, age 18 or older who indicated they were registered to vote in Nebraska. The survey was conducted from January 13-18, 2018. The sample was randomly selected from TargetSmart’s enhanced voter file. Thirty-nine percent of respondents were reached on wireless phones (thirty-four percent weighted). Quotas were assigned to reflect the demographic distribution of all registered voters in Nebraska. The data were weighted by age, party registration, and congressional district to ensure an accurate reflection of the population. A second round of weighting was then applied to the data, proportionally weighting responses based on each voter’s TargetSmart Midterm General Election Turnout score, and more specifically, the extent to which that score deviates from the average score of this particular survey sample; thus producing a tabulated sample of "likely midterm voters." The overall margin of error is +/- 4.0%. The margin of error for subgroups is larger and varies. Percentage totals may not add up precisely due to rounding.