

The Role of Misconceptions in Support for Regressive Tax Reform

***Abstract** - In this paper, I use data from an exceptionally detailed survey of attitudes toward taxation in the United States to investigate the relative importance of one particular misconception—that high-income people would pay more tax under an apparently regressive reform, mostly because many people believe that the distribution of the burden of the existing income tax is regressive—in explaining public support for a flat tax and a retail sales tax. I find that this policy misconception is strongly associated with support for replacing the existing income tax with either of these two alternatives. A similar misconception about the distributional impact of the estate tax explains some of the support for eliminating that tax.*

INTRODUCTION

In the United States there is considerable popular support for replacing the existing income tax structure with an alternative system, such as a flat-rate tax or a retail sales tax, that almost certainly would feature a more regressive distribution of the tax burden, and for abolishing the most progressive of all federal taxes, the estate and gift tax. This paper demonstrates that a non-trivial amount of this support is based on a misconception that these changes would be progressive rather than regressive, mostly because many people believe that the distribution of the burden of the existing income tax is regressive. This finding has important policy implications in part because of recent experimental evidence in political science, including Fishkin (1997), suggesting that voter education can alter perceptions and significantly change support for policies.

The idea that poor policies may prevail because of voter ignorance is controversial among economists. For example, Tabellini and Alesina (1990) reject the idea that persistent deficits come about because of voter misunderstanding on the grounds that “this notion is difficult to reconcile with standard assumptions of rationality.” In contrast, Buchanan and Wagner (1977) argue that budget deficits arise from misunderstandings about their effects. They hypothesize that “complex and indirect payment structures create a fiscal illusion that will systematically produce higher levels of public outlay than those that would be observed under simple-payments structures” (p. 129), and that “debt financing

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reduces [the] perceived price of publicly provided goods ... [and] in response, citizens-taxpayers increase their demands for such goods and services" (p. 139). Romer and Romer (1997) argue that voter misunderstanding of the effects of monetary policy—in particular the failure to realize the long-run inflationary consequences—is an important source of inflation.¹ Romer (2003) suggests that there may be patterns to misconceptions. He cites evidence of widespread misconceptions that are systematic, so that it is often possible to predict the errors that individuals will make when confronted with new questions. He also speculates that there may be patterns concerning public policy issues, such as a tendency to neglect "policies' long-term consequences, or to underweight their general-equilibrium effects relative to their direct effects, or to overemphasize their ability to deal with a problem that has arisen recently relative to other likely problems." Among political scientists the existence of widespread voter ignorance is widely accepted, but the implications of this for voter *competence* in making choices, where a choice is defined to be competent if it is the same choice that would be made given the most accurate information about its consequences, is disputed. For example, Lupia (2001) argues that there are multiple informational pathways to competence, and voters can use simple pieces of information as substitutes for the detailed information that political surveys show them to lack.

That taxpayer knowledge of the tax system is, to say the least, imperfect is not news. Sheffrin (1994) ably reviews studies of American, British, and Canadian taxpayers that find, for example, that taxpayers generally underestimate both their total (and, therefore, average)

and marginal tax rates. There is also a considerable literature on taxpayer attitudes toward progressivity. Keene (1983) reviewed three studies done in 1982 by reputable pollsters about the desirability of a flat tax and found that, depending on the precise wording of the question, support for the flat tax ranged very widely, from 27 to 62 percent. Hite and Roberts (1991), in a careful and comprehensive survey-based study of Americans' attitudes regarding progressivity, found that, on average, people favored substantial progressivity, with the preferred average tax starting at 2.4 percent for the lowest family income group to 27.2 percent for the highest income group. There was, however, substantial heterogeneity in preferences. When asked to choose among five tax schedules, a slight plurality of 34 percent chose a flat-rate system with no exemptions, but the other 66 percent chose one of four variants of a graduated rate structure. Self-interest seemed to play a role, as higher-income individuals on average advocated lower top tax rates than did lower-income individuals.

More recently, in an April 1999 Associated Press poll, 51 percent of respondents agreed that "a flat tax with the same rate for everyone" was fairer than "the system we have now, with higher tax rates for people with higher incomes" (Associated Press, 1999). There is, thus, considerable evidence that at least a substantial minority, and perhaps a slight majority, of Americans favor less progressivity than the current system provides. But do they? An April, 2003 Gallup, CNN, and USA Today poll found that 63 percent of people felt that "upper-income people" pay "too little" in taxes. The same poll has consistently shown strong support for this proposition, although the percent

¹ Romer (2003) also explores the implication of assuming that individuals do not have complete knowledge of how the economy functions, and develops a model in which irrationality is not needed for incomplete knowledge to give rise to welfare-reducing political outcomes—all that is required is that individuals' errors are correlated.

of people agreeing with this statement had declined steadily from 77 percent in 1992.² On the surface, it seems difficult to reconcile substantial support for a tax reform that would on average reduce the tax burden on higher-income families—as most experts agree that a flat tax (or a retail sales tax) would do—with a widespread belief that high-income taxpayers ought to bear a higher tax burden than they do now.

In this paper I use data from an exceptionally detailed survey of attitudes toward taxation in the United States to investigate the relative importance of one particular misconception—that high-income people would pay *more* tax under an apparently regressive reform—in explaining public support for a flat tax and a retail sales tax. I find that this policy misconception is strongly associated with support for replacing the existing income tax with either of these two alternatives.

DATA

The data analyzed here are drawn from a survey sponsored jointly by National Public Radio, the Henry J. Kaiser Family Foundation, and Harvard University's Kennedy School of Government,³ henceforth referred to as the "NKK survey." The data come from a nationwide telephone survey, conducted by ICR/International Communications Research between February 5 and March 17, 2002, of a random representative sample of 1,339 respondents 18 years of age or older. The response rate was 49.5 percent. The overall sample in-

cluded an oversample of 208 respondents that were identified as having an income of \$150,000 or more. Weights are provided to adjust for the high-income oversampling and to match population distributions by gender, age, race, and education; all of the figures and regressions cited in this paper use these weights.⁴

The poll asked over 70 questions about taxes, plus a battery of demographic questions. The tax questions included factual questions about how the current system works and attitudinal questions addressing the fairness of various aspects of the current system. It also inquired about whether the respondent favored replacing the income tax system with either a flat tax or a retail sales tax, and what the likely consequences of either policy change would be. The survey does not describe in any detail exactly what the flat tax or retail sales tax alternative would look like. Appendix Table 1A lists means and standard deviations for the variables examined in the analysis.

RESULTS

Support for "Regressive" Tax Reform

The survey reveals that a substantial fraction of Americans favor eliminating the existing income tax in favor of a flat-rate tax or a consumption tax like a retail sales tax (RST).⁵ Of those expressing an opinion, 53 percent favor switching to a flat-rate tax, and 39 percent favor switching to a RST. The correlation between support for the two changes is 0.328.⁶

² Cited in Bowman (2003).

³ Blendon, Pelletier, Rosenbaum, and Brodie (2003) provide an overview of the survey results.

⁴ More details about the survey methodology are provided in ICR (2003). According to Blendon et al. (2003, p. 31), "The survey design allowed respondents the option of saying that they did not know enough about the question to have an opinion. This approach encourages those who have not come to a judgment or do not consider themselves knowledgeable to say so and this leads to higher 'don't know' responses than generally found in other polls."

⁵ The survey also queried about moving to "completely change" the federal tax system but, because of the vagueness of what alternative tax system is implied, including whether it would be more regressive than the current system, it is not pursued here. The estate tax is addressed in the fourth sub-section of this third section.

⁶ The correlation is calculated over those respondents who express an opinion on both tax reforms.

Not surprisingly, support for eliminating the existing income tax depends on one's beliefs about how well the current system stacks up against two of the usual criteria for evaluating tax systems—fairness and simplicity. Only about half the survey respondents believe the current system is fair. Just four percent of respondents say that the current system is very fair, 47 percent say it is moderately fair, 32 percent say it is not too fair, and 16 percent say it is not fair at all. An overwhelming majority think the current system is complex: 50 percent of respondents say it is very complex, 36 percent say it is somewhat complex, eight percent say it is not too complex, and three percent say it is not at all complex.

One can get a sense for the relative importance of these two complaints in explaining support for a flat tax or a retail sales tax by examining the results of a linear probability regression model with dummy variables of the fairness and complexity answers as separate independent variables, as well as a set of demographic dummy variables for age, marital status, having children, gender, race, education, urban/suburban/rural residential location, income, and political party affiliation.⁷ To simplify the interpretation of the results, responses of “not too fair” or “not fair at all” are combined into an “unfair”

dummy variable, and responses that the current system is “very complex” become a “complex” dummy variable, while all other responses to this question are combined as the alternative answer.

Column 1 of Table 1 shows that the probability of supporting switching to a flat-rate tax is 19.6 percent higher if one thinks the current system is unfair and is 13.3 percent higher if one thinks the current system is complex.⁸ Column 2 shows that, with regard to supporting a retail sales tax, thinking the current system is unfair increases the chance of support by 12.2 percent and thinking it too complex raises it by 6.8 percent.

Exactly what about the tax system lies behind the belief that the current tax system is unfair? The survey asks, regarding upper-income, middle-income, and lower-income groups, respectively, whether they are paying more than their fair share of taxes, less, or about the right amount. Column 1 of Table 2 shows the results of a linear probability regression explaining the determinants of unfairness as a function of dummy variables for these responses, and a set of demographic variables.⁹ It reveals that a belief that *any* group pays *more* than their fair share is associated with a higher likelihood of believing the system is unfair, although the contribution to a feeling of unfairness

⁷ All of the statistical analyses were repeated using probit estimation, with no change in the conclusions highlighted in the text.

⁸ The value for the R-squared statistic for this regression, and all the other regressions reported here, is low, indicating that there is a lot of variation in attitudes and policy preferences that cannot be explained by the explanatory variables investigated in this paper.

⁹ It is not the case that only high-income people think that high-income people pay more than their fair share, and so on. There is, though, definitely a positive correlation between one's own income and one's beliefs about whether people in that group pay more than their fair share. For example, 29 percent of respondents with income exceeding \$150,000 think that high-income people pay more than their fair share, compared to 14 percent of those with income less than \$30,000 who hold that belief.

It is also true that the belief that high-income families pay more or less than their fair share is much more likely to cause high-income people to think that the current system is unfair. In regression results not reported here, but available from the author, it is estimated that the partial effect of believing that high-income people pay more than their fair share is associated with an increase of 50.0 percent in the probability of high-income people thinking the current system is unfair, compared to a 7.7 percent increase in the likelihood of thinking the current system is unfair for those who hold this belief but are not in the high-income group. In sum, for high-income people the assessment of the fairness of the current system is driven much more, relative to other groups, by whether their own group bears a fair share of the tax burden.

The Role of Misconceptions in Support for Regressive Tax Reform

TABLE 1
DETERMINANTS OF SUPPORT FOR REGRESSIVE TAX REFORM

	Favors replacing current income tax with flat tax	Favors replacing current income tax with retail sales tax
	(1)	(2)
<i>Believes income tax is very complex</i>	0.133*** (0.038)	0.068* (0.041)
<i>Believes current tax system is unfair</i>	0.196*** (0.036)	0.122*** (0.038)
<i>Ages 30–49</i>	0.087 (0.056)	-0.026 (0.061)
<i>Ages 50–64</i>	0.124** (0.061)	0.011 (0.065)
<i>Ages 65 and above</i>	-0.038 (0.071)	-0.076 (0.075)
<i>Female</i>	-0.103*** (0.036)	-0.047 (0.039)
<i>Race other than white</i>	-0.015 (0.048)	0.000 (0.050)
<i>High school graduate</i>	-0.073 (0.075)	-0.070 (0.081)
<i>Some college, business, or technical school</i>	-0.159** (0.075)	-0.080 (0.080)
<i>College graduate or above</i>	-0.166** (0.074)	-0.137* (0.079)
<i>Income between \$20,000 and \$30,000</i>	-0.110 (0.080)	-0.052 (0.083)
<i>Income between \$30,000 and \$50,000</i>	0.047 (0.073)	-0.017 (0.076)
<i>Income between \$50,000 and \$75,000</i>	-0.015 (0.073)	0.011 (0.076)
<i>Income between \$75,000 and \$150,000</i>	0.097 (0.075)	0.031 (0.080)
<i>Income more than \$150,000</i>	0.051 (0.077)	-0.023 (0.082)
<i>Income not reported</i>	0.064 (0.085)	-0.001 (0.089)
<i>Republican</i>	0.127*** (0.040)	0.120*** (0.043)
<i>Neither Republican nor Democrat</i>	0.082 (0.054)	0.032 (0.058)
<i>Married</i>	-0.024 (0.041)	0.060 (0.045)
<i>Has children</i>	-0.014 (0.044)	-0.041 (0.046)
<i>Suburban</i>	0.002 (0.041)	0.061 (0.044)
<i>Rural</i>	0.048 (0.055)	0.116** (0.057)
<i>Constant</i>	0.398*** (0.097)	0.306*** (0.107)
<i>Observations</i>	933	833
<i>R-squared</i>	0.14	0.07

Notes: Robust standard errors in parentheses. *significant at 10%; **significant at 5%; ***significant at 1%.

TABLE 2
DETERMINANTS OF BELIEF THAT CURRENT TAX SYSTEM IS UNFAIR

	Believes current tax system is unfair		
	(1)	(2)	(3)
<i>Believes high-income families pay less than their fair share of tax</i>	0.076* (0.041)	0.064 (0.040)	0.059 (0.040)
<i>Believes middle-income families pay less than their fair share of tax</i>	0.010 (0.099)	0.035 (0.102)	0.030 (0.097)
<i>Believes low-income families pay less than their fair share of tax</i>	0.031 (0.044)	0.019 (0.043)	0.017 (0.043)
<i>Believes high-income families pay more than their fair share of tax</i>	0.128** (0.053)	0.144*** (0.053)	0.128** (0.053)
<i>Believes middle-income families pay more than their fair share of tax</i>	0.134*** (0.035)	0.119*** (0.035)	0.102*** (0.035)
<i>Believes low-income families pay more than their fair share of tax</i>	0.060 (0.037)	0.042 (0.037)	0.042 (0.037)
<i>Trusts the government to do what is right most of the time</i>		-0.223*** (0.034)	-0.216*** (0.034)
<i>Believes own family would pay less under revenue-neutral flat tax</i>			0.138*** (0.037)
<i>Believes own family would pay less under revenue-neutral RST</i>			0.010 (0.035)
<i>Ages 30-49</i>	0.121** (0.050)	0.114** (0.049)	0.107** (0.048)
<i>Ages 50-64</i>	0.203*** (0.054)	0.173*** (0.053)	0.167*** (0.053)
<i>Ages 65 and above</i>	0.111* (0.063)	0.096 (0.062)	0.086 (0.062)
<i>Female</i>	-0.033 (0.032)	-0.039 (0.032)	-0.028 (0.032)
<i>Race other than white</i>	-0.028 (0.042)	-0.021 (0.040)	-0.019 (0.040)
<i>High school graduate</i>	0.052 (0.061)	0.053 (0.060)	0.064 (0.060)
<i>Some college, business, or technical school</i>	0.074 (0.062)	0.083 (0.061)	0.098 (0.061)
<i>College graduate or above</i>	0.003 (0.062)	0.011 (0.061)	0.020 (0.060)
<i>Income between \$20,000 and \$30,000</i>	-0.008 (0.066)	-0.006 (0.066)	-0.011 (0.065)
<i>Income between \$30,000 and \$50,000</i>	-0.025 (0.063)	-0.003 (0.061)	-0.016 (0.061)
<i>Income between \$50,000 and \$75,000</i>	-0.036 (0.063)	-0.026 (0.062)	-0.047 (0.062)
<i>Income between \$75,000 and \$150,000</i>	-0.081 (0.066)	-0.064 (0.064)	-0.090 (0.064)
<i>Income more than \$150,000</i>	-0.001 (0.068)	0.008 (0.067)	-0.059 (0.069)
<i>Income not reported</i>	-0.104 (0.072)	-0.085 (0.071)	-0.104 (0.070)
<i>Republican</i>	-0.097** (0.039)	-0.047 (0.040)	-0.054 (0.040)
<i>Neither Republican nor Democrat</i>	-0.017 (0.045)	-0.042 (0.044)	-0.036 (0.044)
<i>Married</i>	-0.035 (0.038)	-0.033 (0.037)	-0.025 (0.037)
<i>Has children</i>	-0.029 (0.040)	-0.035 (0.039)	-0.032 (0.038)
<i>Suburban</i>	0.033 (0.037)	0.033 (0.037)	0.041 (0.037)
<i>Rural</i>	-0.016 (0.045)	-0.008 (0.044)	-0.003 (0.044)
<i>Constant</i>	0.283*** (0.085)	0.364*** (0.084)	0.339*** (0.086)
Observations	1187	1175	1173
R-squared	0.07	0.11	0.12

Notes: Robust standard errors in parentheses. * significant at 10%; ** significant at 5%; *** significant at 1%.

of believing that low-income people pay too much is only about half the contribution for the other two groups, and is not significantly different from zero. In contrast, believing that high-income people pay too *little* increases the probability of feeling the current system is unfair by 7.6 percent, but a belief that middle-income or low-income people pay too little has no significant effect on the sense of unfairness. Apparently the sense of unfairness about the current system has two distinct sources: the belief that taxes are generally too high, and the belief that high-income people are not paying their fair share of the overall tax burden.

It is worth noting that in this paper I emphasize the vertical equity aspect of fairness and, partly because of the dearth of relevant survey questions, do not pursue the horizontal equity aspect of fairness. I acknowledge, though, that the likely fact that *some* high-income taxpayers currently get away with paying little or no tax may influence some people's views about both the fairness of the current system and the attractiveness of switching to an alternative tax system that on average decreases the share of the tax burden borne by high-income individuals but, by curtailing the tax avoidance and evasion activities of certain high-income people, increases their tax burden.

I next investigate the role of trust in government in popular attitudes toward the unfairness of taxes. Popkin and Dimock (2000) argue that one's trust in government can have at least as much influence on attitudes toward foreign policy as ideological predispositions or economic evaluations. The effect of trust on policy support can be tricky, though. Popkin and Dimock find that those who distrust

government are more likely to want the government to retain its power to restrict trade instead of supporting free trade, and want government to increase its control over immigration. "Distrust in government does not always lead to opposition to government programs. Instead, the general misgivings people have about domestic institutions translate into a broader uncertainty about these international situations, causing people to support action by the very government they distrust" (p. 229). Column 2 of Table 2 reveals that trust has a large and significant negative association with perceived unfairness or, putting it positively, people who trust government are more likely to believe that the tax system treats people fairly (holding constant demographics and responses to detailed unfairness questions). Of course, no causal conclusions can be drawn from this statistical association. It could be that a belief that the system is fair is an important determinant of whether people trust government.¹⁰

In column 3 of Table 2, I investigate the relationship between perceived self-interest and the belief that the current tax system is unfair. The regression analysis reveals that there indeed is an association—people who think that switching to a flat tax (but not, surprisingly, to a retail sales tax) would lower their own family's tax payments are much more likely to think the current system is unfair. Including the trust and self-interest variables slightly attenuates the relationship between the belief that high-income people pay less than their fair share of tax and the belief that the current tax system is unfair; in column 3, the estimated coefficient on the former variable becomes 0.59, with a standard error of 0.40.

¹⁰ It is also worth noting that while, according to Table 1, Republicans are, other things equal, more likely to favor switching to either a flat tax or a retail sales tax, according to Table 2, they are less likely, *ceteris paribus*, to believe the current system is unfair. As a referee pointed out, this suggests that, at least for some people, the support for tax reform is partly an ideological preference.

The Role of Misconceptions

That support for dumping the income tax is higher among those who think it is complex and unfair is not surprising. What is surprising is that many people believe that moving to either a flat-rate tax or a RST would result in high-income people paying *more* tax than they do under the current system. As noted earlier, the survey does not describe in any detail exactly what the flat tax or RST alternative would look like. In principle, a flat-rate tax can have a large enough exempt level of income (or demogrant) and a high enough marginal tax rate to make it more progressive than the current income tax. Similarly, a RST could be instituted with a large demogrant. However, all of the flat-tax proposals that have received significant public attention feature marginal tax rates in the 18 to 23 percent range, about which most experts agree would reduce the average burden on high-income individuals. The same is true for proposals for a national retail sales tax. In spite of this, a plurality of respondents, 41 percent, say that high-income people would pay more under a flat-rate tax; 35 percent say high-income people would pay less, and 18 percent say they would pay about the same amount. The same pattern of responses appears concerning a retail sales tax. Forty-one percent say high-income people would pay more under a RST compared to the current system, 26 percent say less, and 23 percent say about the same amount.¹¹

These beliefs run counter to what nearly all tax “experts” believe to be true. Why do significant fractions of Americans disagree with expert opinion? Mechanically,

there are two possible, but not mutually exclusive, reasons. These people may disagree that the existing income tax system is progressive and/or they may disagree that the flat-rate tax or RST is proportional or slightly progressive. The survey provides strong evidence that the former concern is a major factor—most people doubt that the current system actually delivers progressivity. Indeed, 51 percent of all respondents think that middle-income families currently pay a *higher* percentage of income in taxes than high-income families—a fact that is inconsistent with a progressive tax system. For people who hold this belief, it is perfectly consistent to favor a flat-rate tax or a RST on the grounds of shifting the tax burden to the affluent even if they believe either of the latter generates a proportional, rather than progressive, sharing of the tax burden. Thus, a non-trivial part of the misconception about the distributional impact of eliminating the income tax for either a flat tax or a RST is associated with an apparent misconception about current progressivity.¹²

The apparently misguided belief that high-income people would pay more under a flat-rate tax has a very strong association with one’s attitude toward regressive tax reform. This is demonstrated in the regression analyses shown in Table 3. Columns 1 and 4 of this table reproduce the results of Table 1, and Columns 2, 3, 5, and 6 add to the set of explanatory variables dummy variables for the belief that high-income people would pay more under the apparently more regressive alternatives to the income tax. The results shown in Columns 2 and 5 show that, holding constant one’s beliefs about the

¹¹ Unfortunately, the survey did not ask about what respondents thought would happen to the tax payments of *other* groups, so one cannot be absolutely sure that a stated belief that high-income taxpayers’ payments would rise implies that their *share* of tax payments would also rise.

¹² In a regression not reported here, those who think that middle-income people now pay a higher percentage of their income in tax are 11 percent more likely to think that a flat-tax would increase the burden on high-income people, and five percent more likely to think that about a RST.

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TABLE 3
THE IMPACT OF MISCONCEPTIONS ON SUPPORT FOR REGRESSIVE TAX REFORM

	Favors replacing current income tax with flat tax			Favors replacing current income tax with retail sales tax		
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Believes income tax is very complex</i>	0.133*** (0.038)	0.123*** (0.038)	0.100*** (0.037)	0.068* (0.041)	0.072* (0.042)	0.067 (0.041)
<i>Believes current tax system is unfair</i>	0.196*** (0.036)	0.171*** (0.036)	0.149*** (0.036)	0.122*** (0.038)	0.108*** (0.040)	0.100** (0.040)
<i>Believes high-income people would pay more under a flat tax</i>		0.237*** (0.037)	0.231*** (0.036)			
<i>Believes high-income people would pay more under a retail sales tax</i>					0.169*** (0.040)	0.164*** (0.040)
<i>Believes own family would pay less under revenue-neutral flat tax</i>			0.208*** (0.037)			
<i>Believes own family would pay less under revenue-neutral RST</i>						0.113*** (0.042)
<i>Ages 30–49</i>	0.087 (0.056)	0.070 (0.057)	0.065 (0.054)	-0.026 (0.061)	-0.058 (0.062)	-0.067 (0.061)
<i>Ages 50–64</i>	0.124** (0.061)	0.112* (0.062)	0.112* (0.059)	0.011 (0.065)	-0.012 (0.067)	-0.029 (0.066)
<i>Ages 65 and above</i>	-0.038 (0.071)	-0.069 (0.071)	-0.081 (0.069)	-0.076 (0.075)	-0.096 (0.077)	-0.107 (0.077)
<i>Female</i>	-0.103*** (0.036)	-0.075** (0.036)	-0.063* (0.036)	-0.047 (0.039)	-0.029 (0.040)	-0.030 (0.039)
<i>Race other than white</i>	-0.015 (0.048)	-0.021 (0.048)	-0.024 (0.047)	0.000 (0.050)	-0.005 (0.051)	-0.001 (0.051)
<i>High school graduate</i>	-0.073 (0.075)	-0.109 (0.078)	-0.102 (0.076)	-0.070 (0.081)	-0.080 (0.082)	-0.070 (0.081)
<i>Some college, business, or technical school</i>	-0.159** (0.075)	-0.180** (0.076)	-0.161** (0.074)	-0.080 (0.080)	-0.071 (0.081)	-0.057 (0.080)
<i>College graduate or above</i>	-0.166** (0.074)	-0.175** (0.075)	-0.167** (0.074)	-0.137* (0.079)	-0.101 (0.080)	-0.096 (0.079)
<i>Income between \$20,000 and \$30,000</i>	-0.110 (0.080)	-0.122 (0.083)	-0.122 (0.081)	-0.052 (0.083)	-0.063 (0.085)	-0.066 (0.085)
<i>Income between \$30,000 and \$50,000</i>	0.047 (0.073)	0.033 (0.073)	0.024 (0.071)	-0.017 (0.076)	-0.021 (0.077)	-0.042 (0.076)
<i>Income between \$50,000 and \$75,000</i>	-0.015 (0.073)	-0.038 (0.073)	-0.060 (0.071)	0.011 (0.076)	0.003 (0.077)	-0.017 (0.076)
<i>Income between \$75,000 and \$150,000</i>	0.097 (0.075)	0.079 (0.074)	0.046 (0.073)	0.031 (0.080)	-0.004 (0.079)	-0.027 (0.079)
<i>Income more than \$150,000</i>	0.051 (0.077)	0.063 (0.076)	-0.029 (0.077)	-0.023 (0.082)	-0.047 (0.082)	-0.078 (0.082)
<i>Income not reported</i>	0.064 (0.085)	0.067 (0.085)	0.046 (0.082)	-0.001 (0.089)	-0.053 (0.093)	-0.059 (0.092)
<i>Republican</i>	0.127*** (0.040)	0.128*** (0.039)	0.122*** (0.039)	0.120*** (0.043)	0.124*** (0.044)	0.119*** (0.044)
<i>Neither Republican nor Democrat</i>	0.082 (0.054)	0.074 (0.054)	0.079 (0.053)	0.032 (0.058)	0.042 (0.060)	0.044 (0.059)
<i>Married</i>	-0.024 (0.041)	-0.039 (0.041)	-0.018 (0.040)	0.060 (0.045)	0.071 (0.045)	0.087* (0.045)
<i>Has children</i>	-0.014 (0.044)	0.001 (0.045)	-0.001 (0.043)	-0.041 (0.046)	-0.038 (0.047)	-0.030 (0.047)
<i>Suburban</i>	0.002 (0.041)	-0.012 (0.040)	0.002 (0.040)	0.061 (0.044)	0.041 (0.045)	0.032 (0.045)
<i>Rural</i>	0.048 (0.055)	-0.001 (0.053)	-0.005 (0.051)	0.116** (0.057)	0.072 (0.058)	0.073 (0.058)
<i>Constant</i>	0.398*** (0.097)	0.365*** (0.097)	0.329*** (0.095)	0.306*** (0.107)	0.267** (0.109)	0.248** (0.108)
Observations	933	898	898	833	773	773
R-squared	0.14	0.20	0.23	0.07	0.10	0.11

Notes: Robust standard errors in parentheses. * significant at 10%; ** significant at 5%; *** significant at 1%.

fairness and complexity of the existing tax, this misconception is associated with an increase in the probability of favoring a flat-rate tax by 23.7 percent, and of favoring a RST by 16.9 percent.

These effects are very large. Recall that these misconceptions are held by 43.5 percent and 45.0 percent of the population, respectively. The prevalence of these views and the regression results together imply that, if one accepts these coefficient estimates as measures of the causal effect of these misconceptions on support for regressive tax reform (an issue addressed below), completely eliminating the misconceptions would reduce the percentage favoring a flat tax by 10.3 percent (0.237×0.435), from 52.9 percent to 42.6 percent, and would reduce the percentage favoring a retail sales tax by 7.6 percent (0.169×0.450), from 39.4 to 31.8 percent.¹³

It is possible that some people support either of the two tax reforms because they believe their own taxes will be lower under the new system or because they believe tax reform would coincide with across-the-board tax cuts.¹⁴ If this belief is correlated with other beliefs about the distributional impact of tax reform, not controlling for this could bias the coefficients of particular interest. In Columns 3 and 6 of Table 3, we investigate this by adding a dummy variable for the belief that one's own family would pay less under a flat tax (in Column 3) or under a RST (in Column 6). The results show

that, indeed, self-interest is strongly associated with support for tax reform. Including either of these variables does not, however, alter our conclusion that, other things equal, believing that high-income people will pay more under tax reform is also associated with an increase likelihood of support.

Who Does Not Get It?

Why do so many people believe, in apparent contradiction to what most experts believe, that these reforms will increase the tax payments of upper-income people? The regression results shown in Table 4 explore this question. Here the dependent variable in the linear probability regression is the belief that replacing the income tax with a flat-rate tax and a RST, respectively, will increase the amount of tax paid by the upper-income families.

One possibility is that those who hold this belief place more salience than is appropriate on certain aspects of the tax process. An example would be if they believe that tax evasion of the affluent is so large that it undermines the intended progressivity. There is some evidence that this is indeed the case. Slemrod and Bakija (2004, p. 69) report that in a 1989 survey, on average, respondents believed that 45 percent of millionaires paid no income tax at all, when IRS statistics showed that the actual figure was less than two percent. The NKK survey does ask about tax evasion, although it does not ask about it

¹³ These estimates do not depend on the fact that they are derived from a linear probability model. If the same set of independent variables is included in a probit equation, the estimated effect of completely eliminating the misconceptions on the probability of favoring a regressive tax reform is very similar to that reported in the text.

A similar conclusion can be reached by examining the answers to questions about whether the flat-rate tax or retail sales tax, respectively, is fairer than the existing tax system. These answers are by far the most important determinants of support for each of the two tax reforms. The probability of believing that the flat-rate tax is fairer than the existing system is, *ceteris paribus*, 29.4 percent higher if one believes that the flat-rate tax will increase the tax burden of the high-income groups; the corresponding figure is 19.2 percent for the retail sales tax.

¹⁴ The survey does not specify revenue-neutral reforms when asking about support for the flat tax and retail sales tax. It does, however, specify that the government will collect the same total amount of money when asking whether respondents believe their own family would pay less under tax reform.

The Role of Misconceptions in Support for Regressive Tax Reform

TABLE 4
DETERMINANTS OF MISCONCEPTION ABOUT PROGRESSIVITY OF TAX REFORM

	Believes high-income people would pay more under a flat tax		Believes high-income people would pay more under a retail sales tax	
	(1)	(2)	(3)	(4)
<i>Believes most or some people cheat a lot on their taxes</i>	-0.017 (0.036)	-0.009 (0.036)	0.016 (0.038)	0.012 (0.039)
<i>Government should redistribute from high to low-income families</i>		0.002 (0.044)		0.018 (0.046)
<i>Government should redistribute from high- to middle-income families</i>		0.053 (0.041)		0.015 (0.044)
<i>Trusts the government to do what is right most of the time</i>	-0.078** (0.035)	-0.078** (0.036)	-0.032 (0.038)	-0.025 (0.038)
<i>High school graduate</i>	0.089 (0.060)	0.078 (0.063)	-0.086 (0.066)	-0.094 (0.068)
<i>Some college, business, or technical school</i>	0.086 (0.063)	0.105 (0.066)	-0.037 (0.068)	-0.040 (0.070)
<i>College graduate or above</i>	0.035 (0.064)	0.049 (0.067)	-0.151** (0.069)	-0.151** (0.072)
<i>Tax knowledge index (range 0-7)</i>	-0.005 (0.011)	-0.003 (0.011)	-0.007 (0.012)	-0.005 (0.012)
<i>Ages 30-49</i>	0.119** (0.048)	0.128** (0.049)	0.022 (0.052)	0.044 (0.052)
<i>Ages 50-64</i>	0.166*** (0.055)	0.168*** (0.056)	0.062 (0.058)	0.076 (0.058)
<i>Ages 65 and above</i>	0.133** (0.065)	0.126* (0.065)	-0.030 (0.067)	-0.008 (0.068)
<i>Female</i>	-0.138*** (0.033)	-0.144*** (0.034)	-0.031 (0.035)	-0.049 (0.036)
<i>Race other than white</i>	-0.028 (0.042)	-0.026 (0.043)	-0.029 (0.044)	-0.022 (0.045)
<i>Income between \$20,000 and \$30,000</i>	0.082 (0.068)	0.075 (0.069)	0.071 (0.070)	0.053 (0.071)
<i>Income between \$30,000 and \$50,000</i>	0.171*** (0.063)	0.175*** (0.064)	0.088 (0.067)	0.074 (0.068)
<i>Income between \$50,000 and \$75,000</i>	0.104* (0.063)	0.103 (0.064)	0.094 (0.068)	0.089 (0.069)
<i>Income between \$75,000 and \$150,000</i>	0.137** (0.065)	0.151** (0.068)	0.158** (0.071)	0.147** (0.072)
<i>Income more than \$150,000</i>	0.025 (0.070)	0.025 (0.072)	0.062 (0.076)	0.048 (0.076)
<i>Income not reported</i>	0.152** (0.075)	0.149* (0.079)	0.175** (0.079)	0.161** (0.081)
<i>Republican</i>	-0.034 (0.039)	-0.029 (0.040)	0.037 (0.041)	0.034 (0.042)
<i>Neither Republican nor Democrat</i>	0.003 (0.047)	0.017 (0.048)	0.018 (0.050)	0.008 (0.051)
<i>Married</i>	0.013 (0.038)	0.009 (0.039)	0.013 (0.040)	0.024 (0.041)
<i>Has children</i>	-0.077* (0.040)	-0.071* (0.041)	-0.024 (0.044)	-0.043 (0.044)
<i>Suburban</i>	0.019 (0.039)	0.018 (0.040)	-0.009 (0.041)	-0.008 (0.041)
<i>Rural</i>	0.059 (0.047)	0.075 (0.048)	0.041 (0.051)	0.029 (0.051)
<i>Constant</i>	0.292*** (0.084)	0.248*** (0.089)	0.427*** (0.093)	0.414*** (0.098)
Observations	1073	1046	1035	1009
R-squared	0.07	0.07	0.03	0.03

Notes: Robust standard errors in parentheses. * significant at 10%; ** significant at 5%; *** significant at 1%.

by income class. Table 4 shows that, in a regression trying to explain the determinants of this misconception, a belief that most or some people cheat a lot on their taxes does not contribute significantly to an explanation of the variation in this misconception.

It may be that not understanding this aspect of the tax system is just one manifestation of not getting things in general. To pursue this, one can see if the misperception is less likely to show up in more educated people. The regressions of Table 4 include dummy variables for educational attainment. With respect to the retail sales tax, the results are consistent with this idea. Those with a college degree are 15.1 percent less likely, compared to those with no high-school degree, to believe that a RST would increase the tax payments of high-income people. For a flat-rate tax, educational attainment has the opposite relationship, although the relationships are not statistically significant.

It may be that the misconception is related to a lack of political knowledge, as opposed to educational attainment. Delli Carpini and Keeter (1996), in a comprehensive survey of the political knowledge of voters covering several decades and hundreds of surveys, show that majorities of voters are ignorant of many key aspects of the U.S. political system, such as who has the power to declare war, the respective functions of the three branches of government, and who controls monetary policy.¹⁵ Popkin and Dimock (2000) argue that "people with institutional knowledge process news, evaluate policies, and answer questions differently from those without this knowledge" (p. 217). But the analysis suggests that this particular misconception is not significantly associ-

ated with one's knowledge of tax terms. The survey asks whether the person has heard of, has heard of and knows the meaning of, or has not heard of a series of tax terms, and asks a couple of other factual questions about the U.S. tax system. A summary measure of knowledge, the simple sum of correct answers to seven factual tax questions, does not help to explain either misconception in a statistically significant way.

Table 4 also shows that trust in government has a significant negative association with the flat-rate misconception. Those who trust government are 7.8 percent less likely to hold this misconception; for the retail sales tax, the estimated coefficient suggests a 3.2 percent decrease in the probability, but in this case the estimated coefficient is not significantly different from zero.

Some demographic indicators are associated with the probability of holding these beliefs. Older people are more likely to think that a flat-rate tax will increase the tax payments of high-income people, as are males. Strikingly, females are less likely to hold this misconception, as are families with children. The gender difference is large and significant for the flat-rate tax, and less large and not significant for the retail sales tax. Having higher income is generally associated with holding these misconceptions, but the estimated relationship is not monotonic.

Other demographic variables have no discernible partial association with holding these misconceptions. Neither race, marital status, residential location, nor political party affiliation is related to holding these misconceptions when all of the other explanatory variables are held constant.

¹⁵ The policy implications of this lack of political knowledge are highly controversial in the political science literature. For example, Lupia (2001) argues that political knowledge scales, which count the number of correct responses to a small number of questions about public affairs, represent neither necessary nor sufficient conditions for voter *competence* in making choices, where a choice is defined to be competent if it is the same choice that would be made given the most accurate information about its consequences.

Columns 2 and 4 of Table 4 show that beliefs about whether government *should* redistribute from high-income people to either low- or middle-income people are not strongly associated with the probability of holding the misconception that high-income people would pay more under either a flat tax or a retail sales tax. This finding is relevant for establishing the causal relationship among the subjective and objective beliefs held by the survey respondents, discussed further in the fourth section.

The Role of Misconception in Support for Abolishing the Estate Tax

The NKK survey also asks whether the U.S. estate and gift tax ought to be eliminated.¹⁶ Of those surveyed who expressed an opinion, 82 percent favored eliminating it.¹⁷ Because it is the most progressive of all federal taxes, with an exemption of \$1 million for net estate and for annual gifts of \$11,000 per year, favoring elimination of this tax means supporting a more regressive overall tax policy. In this case the relevant misconception is that the estate tax applies to most families. Forty-nine percent of respondents say that most families have to pay it, compared to 31 percent who say only a few families have to pay, and 20 percent who admit to not knowing. In fact, at current levels of the exemption, the estate tax is paid by about two percent of the decedent population and, given a legislated increase in the exemption level, the percentage will probably decrease over the next decade. If one extends the

notion of “paying” the tax to heirs, the relevant percentage climbs higher than two percent, but it is difficult to see how one gets anywhere close to “most” people unless the average American is applying a model of long-term incidence with an endogenous capital stock.

Table 5 shows the results of a linear probability regression explaining support for eliminating the estate tax as a function of views about the complexity and unfairness of the existing income tax, demographic variables, and the misconceived belief that most families pay estate tax. Table 5 shows that holding this misconception increases the likelihood of favoring abolition by 10.3 percent. Thus, a popular misunderstanding that the current tax system is less progressive than it really is contributes to the widespread opposition to the tax, although a majority would oppose it even in the absence of this particular misconception. It also reveals that elimination of the estate tax is (not surprisingly) most popular among people aged 65 or older, but is not significantly associated with gender, race, education level, or, somewhat surprisingly, income level.

DISCUSSION

Is the Income Tax System Really Progressive?

It is possible that the experts are wrong about the progressivity of the current income tax system. But they would have to be way, way off. Consider the recent analysis of effective federal tax rates in

¹⁶ This issue has been addressed in depth by Bartels (2005), using both the NKK survey and the National Election Survey (NES). Bartels notes that 51 percent of the NES sample support repealing the inheritance tax, and that even among those who both recognized that income inequality has increased during the past 20 years and believed this was a bad thing, support for estate tax repeal remained at 66 percent. Self-interest, as expressed by the belief one’s own household pays too much taxes, had a much greater effect on support for estate tax repeal than the belief that the rich pay too much in taxes. Bartels concludes that people fail to connect tax policy decisions with economic equality.

¹⁷ The 82 percent figure combines the results of two ways of asking the question, each asked of those surveyed; one version refers to the “estate” tax, and one refers to the “death” tax. There was a slightly higher rate of favoring elimination when the tax is called the death tax.

TABLE 5
DETERMINANTS OF SUPPORT FOR ELIMINATION OF THE ESTATE TAX

	Favors eliminating the estate tax
	(1)
<i>Believes income tax is very complex</i>	0.032 (0.031)
<i>Believes current tax system is unfair</i>	-0.036 (0.029)
<i>Believes most families have to pay the estate tax</i>	0.112*** (0.033)
<i>Does not know if most families have to pay the estate tax</i>	0.135*** (0.051)
<i>Ages 30–49</i>	0.037 (0.049)
<i>Ages 50–64</i>	0.038 (0.052)
<i>Ages 65 and above</i>	0.109** (0.055)
<i>Female</i>	0.052* (0.028)
<i>Race other than white</i>	0.010 (0.043)
<i>High school graduate</i>	0.003 (0.067)
<i>Some college, business, or technical school</i>	0.062 (0.064)
<i>College graduate or above</i>	-0.052 (0.066)
<i>Income between \$20,000 and \$30,000</i>	0.051 (0.066)
<i>Income between \$30,000 and \$50,000</i>	0.056 (0.063)
<i>Income between \$50,000 and \$75,000</i>	0.104* (0.061)
<i>Income between \$75,000 and \$150,000</i>	0.049 (0.064)
<i>Income more than \$150,000</i>	0.048 (0.068)
<i>Income not reported</i>	0.025 (0.067)
<i>Republican</i>	0.175*** (0.032)
<i>Neither Republican nor Democrat</i>	0.088* (0.045)
<i>Married</i>	0.010 (0.034)
<i>Has children</i>	0.020 (0.036)
<i>Suburban</i>	0.026 (0.034)
<i>Rural</i>	0.018 (0.043)
<i>Constant</i>	0.466*** (0.095)
Observations	985
R-squared	0.09

Notes: Robust standard errors in parentheses. * significant at 10%; ** significant at 5%; *** significant at 1%.

1997–2000 released by the U.S. Congressional Budget Office (CBO) (2003). It calculates the effective federal individual income tax rate by quintile and separately for the top one, five, and ten percent of households. For 2000, this analysis concludes that the effective individual income tax rate for the top one, five, and ten percent was 24.2, 21.6, and 19.7 percent, respectively. This compares to 8.1, 5.0, 1.5, and –4.6 for the fourth through lowest quintiles, respectively. The methodology employed by the CBO is fairly standard, and relies on a match of tax return information from the Statistics of Income Division of the Internal Revenue Service and data from the Bureau of the Census' Current Population Survey on the demographic characteristics, and the Consumer Expenditure Survey created by the Bureau of Labor Statistics that provides information about the household consumption patterns. (There are, of course, many analyses of the distribution of the income tax burden, but the CBO one is quite representative of the conclusions drawn in most cases.)

The CBO methodology does not, though, make any adjustment for tax evasion, leaving open the possibility that its analysis vastly overstates actual progressivity because it vastly understates the true income of the well-to-do. By understating the denominator of the effective tax rate calculation, it overstates the true effective tax rate. The problem with this argument is that the most careful estimates of evasion, based on the IRS Taxpayer Compliance Measurement Program (TCMP), suggest that evasion rates for high-income taxpayers are *lower*, not higher, than those for middle-income and lower-income taxpayers.¹⁸ Christian (1994) reports that, based on the 1988

TCMP data, the voluntary compliance rate (reported income as a percentage of true income) was over 95 percent for taxpayers with adjusted gross incomes in excess of \$100,000, but less than 90 percent for taxpayers with adjusted gross income less than \$25,000. Based on this study, ignoring evasion will understate progressivity, not overstate it.

For the standard analysis to be wrong thus requires that the TCMP misses a massive amount of the true income of high-income households. For example, to bring the CBO estimate of the effective tax rate of the top one percent of taxpayers (24.2 percent) down to the overall average of 11.8 percent would mean that the true income of the top one percent would have to be *twice* what the CBO believes based on its data. That is highly implausible, though not inconceivable. As the survey data reveal, it is apparently not inconceivable to a large fraction of Americans.

The Origin of Misconceptions about Progressivity

Where does the widespread misconception come from? Part of it is due to the general feeling that the rich are getting away with murder, leaving the little guy holding the bag. Frequent news stories about high-profile, high-income tax evaders probably contribute to this feeling. Popular books with titles like *The Rich Die Richer and You Can Too* (Zabel, 1995) and a series of articles in *The New York Times* written by David Cay Johnston¹⁹ leave the impression that there are tax avoidance and evasion strategies routinely used by the wealthy. In addition, as Geier (2003) points out, some “expert” advocates of fundamental tax reform give the impression that the existing tax system is regres-

¹⁸ The Taxpayer Compliance Measurement Program combined information from a program of random, especially intensive, audits with information from special studies about sources of income, such as tips, that are difficult to uncover even in an intensive audit.

¹⁹ Many of these stories are recounted in Johnston (2003).

sive. She criticizes USC law professor Edward McCaffery (2002) of so doing in his book *Fair, Not Flat* by making statements such as “[T]he inconsistent income tax that we do have is particularly bad because it falls heavily on the poor dads of the nation while the rich dads delight in their ability to evade it” (p. 28) and “Tax for the rich is voluntary: they can live perfectly well without it” (p. 33). Clearly some advocates of radical tax reform want to leave the impression that the existing system is flawed, in part because it is easy prey for the accountants and lawyers easily afforded by the rich.

Causality

Although the analysis in this paper has established a large and statistically significant association between a misconception about income tax progressivity and support for replacing it with an apparently more regressive alternative, it has not clearly established anything about causality. Do the results indicate that, if this misconception could be eradicated, support for the flat tax and retail sales tax would fall by 10.4 percent and 7.6 percentage points, respectively, as the prevalence of the misconception combined with the estimated coefficients suggests? The most plausible alternative interpretations of the regression results are that there are unmeasured characteristics of individuals that affect both their policy preferences and their view of the facts, or that people adjust their view of the facts to conform to their policy views.

It is, of course, impossible to rule these explanations out definitively with cross-sectional data of the sort examined here. There are, though, two distinct reasons to believe that the statistical association at least partly reflects a causal connection. The first is that the regression analyses hold constant a wide variety of demographic variables, including age, marital status, having children, gender,

race, education, urban/suburban/rural residential location, income, and political party affiliation. If an unmeasured individual characteristic is correlated with the policy preference, it must be one that is uncorrelated with this fairly extensive set of measured characteristics.

The other reason for taking seriously that the misconceptions are a causal factor in the formation of policy views is direct evidence that educating the public can change popular support for public policies. Fishkin (1997, pp. 214–20) reports the results of gauging support for certain policy options before and after a weekend of intensive learning and deliberation that is designed to, and felt by participants to, be balanced. As it turns out, one of the exercises Fishkin conducted concerned replacing the income tax with a flat tax. In a 1996 Austin, Texas gathering, support for a flat tax decreased from 44 percent before deliberation to 30 percent after the weekend of intensive learning and deliberation. Fishkin regards this finding as evidence of error, in relation to well-informed opinion, of “pre-deliberative” public opinion. It is also supportive of the notion that one’s information can affect one’s policy preferences.

CONCLUSION

An in-depth survey of American’s attitudes toward taxation reveals that popular support for regressive tax reforms such as scrapping the income tax for either a flat tax or a retail sales tax, or repealing the estate tax, is associated with the misconception that high-income people would pay more taxes under either reform. This association, when considered in combination with evidence from the political science literature that voter education can change policy preferences, suggests that better-informed voters would be much less likely to support these tax reforms: if the misconception were completely eliminated, support for the flat tax could

fall from 52.9 to 42.5 percent and support for moving to a retail sales tax could be reduced to 31.8 percent from 39.4 percent. To be sure, widespread misunderstanding of the progressivity of the existing tax system is but one of the misperceptions that influences popular views about tax policy in general, and about replacing the income tax with a more regressive alternative, in particular, so that better-informed voters might change their policy preferences in ways that this study has not investigated.

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APPENDIX

TABLE 1A
SUMMARY STATISTICS FOR VARIABLES INCLUDED IN TABLES 1–5

	N	Mean	Standard Deviation	Min	Max
<i>Favors replacing current income tax with flat tax</i>	983	0.529	0.499	0	1
<i>Favors replacing current income tax with retail sales tax</i>	883	0.394	0.489	0	1
<i>Favors eliminating the estate tax</i>	1046	0.787	0.410	0	1
<i>Believes income tax is very complex</i>	1316	0.515	0.500	0	1
<i>Believes current tax system is unfair</i>	1329	0.484	0.500	0	1
<i>Believes high-income people would pay more under a flat tax</i>	1257	0.435	0.496	0	1
<i>Believes high-income people would pay more under a retail sales tax</i>	1207	0.450	0.498	0	1
<i>Believes most families have to pay the estate tax</i>	1338	0.491	0.500	0	1
<i>Does not know if most families have to pay the estate tax</i>	1338	0.178	0.383	0	1
<i>Believes most or some people cheat a lot on their taxes</i>	1186	0.320	0.467	0	1
<i>Believes high-income families pay less than their fair share of tax</i>	1296	0.587	0.493	0	1
<i>Believes middle-income families pay less than their fair share of tax</i>	1304	0.035	0.183	0	1
<i>Believes low-income families pay less than their fair share of tax</i>	1284	0.208	0.406	0	1
<i>Believes high-income families pay more than their fair share of tax</i>	1296	0.158	0.365	0	1
<i>Believes middle-income families pay more than their fair share of tax</i>	1304	0.613	0.487	0	1
<i>Believes low-income families pay more than their fair share of tax</i>	1284	0.377	0.485	0	1
<i>Government should redistribute from high- to low-income families</i>	1316	0.245	0.431	0	1
<i>Government should redistribute from high- to middle-income families</i>	1315	0.286	0.452	0	1
<i>Tax knowledge index (range 0–7)</i>	1331	2.980	1.760	0	7
<i>Trusts the government to do what is right most of the time</i>	1320	0.350	0.477	0	1
<i>Believes own family would pay less under a revenue-neutral flat tax</i>	1338	0.229	0.420	0	1
<i>Believes own family would pay less under a revenue-neutral RST</i>	1338	0.259	0.438	0	1
<i>Ages 18–29</i>	1319	0.218	0.413	0	1
<i>Ages 30–49</i>	1319	0.409	0.492	0	1
<i>Ages 50–64</i>	1319	0.212	0.409	0	1
<i>Ages 65 and above</i>	1319	0.161	0.368	0	1
<i>Female</i>	1339	0.519	0.500	0	1
<i>Race other than white</i>	1322	0.280	0.449	0	1
<i>Less than high-school graduate</i>	1335	0.170	0.375	0	1
<i>High-school graduate</i>	1335	0.296	0.456	0	1
<i>Some college, business, or technical school</i>	1335	0.292	0.455	0	1
<i>College graduate or above</i>	1335	0.243	0.429	0	1
<i>Income less than \$20,000</i>	1339	0.145	0.352	0	1
<i>Income between \$20,000 and \$30,000</i>	1339	0.151	0.358	0	1
<i>Income between \$30,000 and \$50,000</i>	1339	0.191	0.393	0	1
<i>Income between \$50,000 and \$75,000</i>	1339	0.181	0.386	0	1
<i>Income between \$75,000 and \$150,000</i>	1339	0.168	0.374	0	1
<i>Income more than \$150,000</i>	1339	0.044	0.205	0	1
<i>Income not reported</i>	1339	0.121	0.326	0	1
<i>Republican</i>	1308	0.361	0.480	0	1
<i>Neither Republican nor Democrat</i>	1308	0.187	0.390	0	1
<i>Democrat</i>	1308	0.452	0.498	0	1
<i>Married</i>	1333	0.555	0.497	0	1
<i>Has children</i>	1336	0.379	0.485	0	1
<i>Urban</i>	1339	0.315	0.465	0	1
<i>Suburban</i>	1339	0.464	0.499	0	1
<i>Rural</i>	1339	0.221	0.415	0	1

