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TO: Interested Parties

FR: Paul Fallon

RE: Executive Summary of Survey Results

I have reviewed the results of the public opinion survey that was recently conducted among voters in Ohio, in order to highlight the findings that I believe to be most important in understanding the attitudes and preferences that they have regarding the cigarette tax and public funding of tobacco prevention programs.

First, although the vast majority of survey respondents (72%) favored efforts to reduce the income tax rate in Ohio -- which suggests very high sensitivity to taxation -- nearly two-thirds (64.5%) also favored increasing the tax on all tobacco products in order to offset the income tax reduction. The sentiment for raising the tobacco tax was a consistent one across the board among key sub-groups, such as white voters (61%); African-Americans (66%); men (63%); women (66%); Republicans (66%); Democrats (66%); and unaffiliated or independent voters (61%). The fact that the idea received such high support, and was the most popular taxing mechanism tested, seems to indicate that support for the idea of raising taxes on tobacco products is a reflexively popular proposal that opponents may be hard-pressed to counter. It also suggests that the tobacco tax may be compelling enough to transcend general views that voters have about taxes. Overall, one-third of the survey respondents (33%) opposed increasing the tax on all tobacco products and the remainder (3%) were unsure about it.

Second, although slightly lower (63%), Ohioans also favored increasing the State's cigarette tax by \$1 dollar per pack, with part of the revenue dedicated to tobacco prevention, including programs to prevent kids from smoking and help adults who want to quit. Importantly, this means that both ideas were equally popular. Sentiments about this proposal were also quite consistent, and there were no statistically-significant differences in view of this policy proposal based on partisan affiliation when looking at Republicans (61%), Democrats (65%) and unaffiliated or independent voters (64%). One-third of the survey respondents (35%) opposed increasing the state cigarette tax by \$1 dollar per pack, with part of the revenue dedicated to tobacco prevention and the remainder (2%) were unsure about it. Moreover, nearly fourth-fifths of all respondents (79%) said it is important to dedicate part of the cigarette tax revenue to funding programs to reduce tobacco use among kids and help smokers quit.

Third, the idea of funding tobacco prevention programs appeared to be so popular that, when given the choice between a tax of \$1 dollar per pack, with part of the money being directed to

tobacco prevention programs, a majority (56%), chose it over the more modest proposal, with none of the money being directed to tobacco prevention programs (26%). Less than one-fifth of the survey respondents (16%) volunteered that they would have preferred no tax at all and the remainder (2%) were unsure. This support for a higher tax rate on cigarettes may be explained by the fact that 61% of all of the respondents agreed that Ohio should increase the cigarette tax, because it will help prevent kids from starting to smoke and that the funding will help smokers quit and save lives. Less than one-third of the respondents (31%) opted for an opposing point of view and the remainder (8%) were unsure. These results clearly show that Ohioans view tobacco prevention programs as vital public services that should be a priority for State government to fund.

Fourth, creating some parity in the implementation of taxes on tobacco products was even slightly more popular, as more than two-thirds of the respondents (67%) favored taxing other types of tobacco products at the same rate as cigarettes. Interestingly, even nearly half (43%) of the voters who opposed increasing the tax on cigarettes, favored the notion of parity in taxation rates for tobacco products. This may suggest that the idea is viewed as a practical matter of fairness or, perhaps, that a majority of Ohioans see all tobacco products as equally detrimental to public health.

In closing, it may have been a rather evocative revelation for the respondents to learn that Ohio annually receives about \$825 million dollars in revenue from tobacco taxes each year, but none of it is used to fund tobacco prevention programs to prevent kids from smoking and help adults who want to quit. A robust majority (69%) of voters said they favored dedicating \$50 million dollars of the State's tobacco tax revenue to tobacco prevention programs, which would restore funding cuts made to the program in recent years. Interestingly, the proposal even garnered high levels of support from current smokers (76%) and former smokers (71%). Overall, about one-fourth of the survey respondents (27%) opted for an opposing point of view and the remainder (4%) were unsure about it. Amid this opinion environment, it was not surprising that a sizeable majority (61%) of the respondents agreed they are in favor of restoring funding for the tobacco prevention program because 6% is not too much of the tobacco tax revenues to dedicate to reducing smoking among kids and helping smokers quit, and money will still be left for the State to meet other needs. One-third of the survey respondents (33%) dissented and the remainder (7%) were unsure about it.

If you have any questions about the information herein, please feel free to call me at 614-341-7005.

This information is based on survey research data that was gathered through telephone interviews that specially-trained interviewers conducted with 800 randomly-selected registered voters in the State of Ohio with histories of voting in recent general elections or were new registrants, who had valid residential or cellular telephone numbers.

The interviews were performed during the period of April 7, 2014 through April 10, 2014. The overall estimated margin of sampling error is +/- 3.46%, based on a confidence level of 95%, although it varies for each individual question. This means that if this survey was repeated, 95 times out of 100 the results would be within plus or minus 3.46% of those provided herein. Adjustments were made to weight the results toward demographic and geographic characteristics of the state's electorate, in order to account for under- and over-sampling that normally occurs as a result of the random selection process, and to ensure that all major sub-groups are represented in proportion to their actual percentages. Like all polls, this opinion survey research is subject to other possible sources of error, such as unintentional bias in the wording of questions, data-entry error and nonresponse bias.