

MEMORANDUM

To: Interested Parties
From: Robby Mook, Former Campaign Manager, Hillary for America
Jeff Weaver, Former Campaign Manager, Bernie Sanders 2016
Date: December 1, 2017
Re: Trump's Tax Plan Will Doom Republicans in 2018

INTRODUCTION

Democrats seeking to rebuild our party have recently fixated on debates about whether to focus attention on suburban or rural areas, and whether to prioritize persuasion of so-called “Obama-Trump” voters or mobilization of base voters who did not turn out in 2016.

The answer, of course, is all of the above: Democrats must compete for all of these voters if we ever want to convince them that our party is the one that is fighting for them. Because the Republican agenda is so harmful for Americans across various demographics, we have a golden opportunity right now to prove to voters which party truly has their interests at heart. It would be malpractice for Democrats to concede any type of voter heading into 2018. The Republican tax plan — with its tax hikes on millions of middle-class families and deep cuts to Medicare — is already resoundingly unpopular across just about every demographic. **It is quite a feat for Republicans to have designed a bill that could alienate Obama-Trump voters, Romney-Clinton voters and base Democrats all at the same time, but the tax plan achieves exactly this trifecta.**

Should the legislation reach President Trump's desk, the issue has the potential to doom Republican lawmakers who vote for it. If Democrats properly seize this issue, they can potentially win over most every swath of the electorate critical to next year's midterm elections.

THE GOP TAX PLAN FULLY EXPOSES WHOSE SIDE REPUBLICANS ARE REALLY ON

Republicans are speeding through all kinds of caution lights as they rush to pass tax plan that is sure to rile voters they can't afford to lose next year.

The bill lavishes new tax cuts on the wealthiest Americans and corporations that voters already think do not pay their fair share. Contrary to Trump's anti-“swamp” rhetoric during the 2016 campaign, the tax plan protects special interests such as the carried interest loophole that benefits private equity and hedge fund managers. Multiple polls have found voters are aware that this plan overwhelmingly benefits the wealthy and well-connected and a Quinnipiac survey this month found fully three-fifths of voters saying that the Republican tax plan favors the rich **at the expense of the middle class.**

Despite Republicans' false claims that the plan is a middle-class tax cut, a survey of 15 Senate battleground states showed only 22 percent of voters there think they will personally pay less in

taxes under this plan, including just 36 percent of self-identified Trump voters. Moreover, 75 percent think this tax plan will yield a positive impact for corporations and 70 percent say the same about the wealthiest Americans, yet just 30 percent think it will have a positive impact on their own personal finances. In fact, for millions of American households – more than 90 million, to be exact – the bill will actually deliver a tax increase due to the elimination of various exceptions and deductions. The decision to get rid of the state and local tax deduction, for instance, will cause taxes to rise on suburban households in states like New York, California, New Jersey and Pennsylvania – all places that could well determine control of the House in 2018.

As if the tax proposal was not unpopular enough by itself, Republicans have inserted a sneaky repeal of the Affordable Care Act into the bill. The elimination of the individual mandate is estimated to cause premium hikes averaging 10 percent according to CBO. The bill also would require major Medicare cuts to the tune of \$25 billion next year. This aspect alone causes 71 percent of voters to feel less favorable about the plan, according to a poll this month by Priorities USA.

THE INTENSE OPPOSITION TO THE GOP'S TAX PLAN CUTS ACROSS ALL VOTER SEGMENTS

The Republican tax plan is the rare piece of legislation that manages to provide something for nearly everyone to hate. Quinnipiac's poll found that only 25 percent of Americans support it. Literally, the only voter group in favor of the plan was self-identified Republicans. Every other political affiliation, gender, education, age and racial group disapproved. In fact, a [Washington University professor](#) recently found that this tax bill – along with the health care repeal plans – represent the most unpopular pieces of legislation in the past three decades.

This includes each of the voting blocs important to Democratic prospects in next year's midterms: turnout targets such as millennials (52%-26%), African Americans (78-7%) and Hispanic voters (57%-13%) all disapprove by wide margins. So do the highly-educated, suburban voters overrepresented in the so-called Romney-Clinton districts: white voters with a college degree disapprove 54%-25%, and those with household incomes above \$100k disapprove 59%-24%. Even a plurality of working-class whites – presumably Trump's base -- believes the GOP plan benefits the wealthy at the expense of the middle class, 47%-42%.

Plus, the more that voters learn about the tax plan, the more they dislike it. Priorities USA found that voters disapproved of the plan by 17 points before hearing any messaging about it. Once these voters learned more about the plan's details, the margin of disapproval doubled, to 33 points.

THE TAX FIGHT MAKES REPUBLICANS EVEN MORE VULNERABLE IN 2018 THAN THEY ALREADY ARE

Even before the tax vote in the Senate, the Real Clear Politics average of national polls shows that Democrats hold a nearly 10-point advantage in the generic Congressional ballot. This

average represents the biggest edge for Democrats since 2006, the last time our party retook the House.

The results in state elections held earlier this month also bear out the positive trend for Democrats. In Virginia, for instance, millennial turnout in the gubernatorial election shot up by a third compared to 2013 and by 100 percent compared to 2009, with Democrat Ralph Northam winning 69 percent of those youth voters. Democrats are also making tremendous inroads in Trump-won areas, flipping dozens of state legislature seats in states from Oklahoma to Florida.

The tax plan has the potential to further boost Democrats' chances in 2018. When voters learn that their elected representative supports the plan, it makes them more likely to prefer a Democrat in next year's midterms. In Priorities' poll, the generic ballot moved from a 45-34 percent advantage for Democrats to a 50-33 percent advantage for Democrats after hearing about the tax plan.

Independent observers are also noting the shift happening amid the tax debate. In the last two months, the Cook Political Report has updated its ratings in 16 Republican-held House districts to reflect enhanced prospects for Democrats. Among the districts rated as toss ups now are both Romney-Clinton districts like CA-48 (Rohrabacher) and Obama-Trump districts like IA-01 (Blum). If the election were held today, the Cook Report said, "Democrats would be the ever-so-slight favorites to reclaim the House."

CONCLUSION

The tax proposal is the best opportunity yet for Democrats to convince voters that Donald Trump and congressional Republicans are looking out for their wealthy donors, and not working-class Americans. The widespread opposition to the Republicans' plan should reassure Democrats that they ought not engage in some false choice between different groups of voter targets. **Our party should compete everywhere, and seek to win over voters of all ages, education backgrounds and income levels by using the tax fight to illustrate the two parties' vastly different priorities. If Democrats seize this opportunity, congressional Republicans who support the tax plan will definitely be doing so at their own political peril.**