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Why Do (Some) Ordinary Americans Support Tax Cuts for the Rich?
Evidence From a Randomized Survey Experiment

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Abstract

Why do (some) ordinary citizens support tax cuts for the rich? A prominent explanation in the political economy literature stresses the role of unenlightened self-interest. According to this view, citizens consistently fail to gauge whether they are directly affected by tax policy reforms. We use a randomized survey experiment in the US to identify the drivers of preferences for cutting taxes on the rich. The results show that informing individuals of whether they are directly affected by a cut in the top federal income tax rate has no impact on preferences. We therefore find no support for the unenlightened self-interest explanation. In contrast, we find preferences for taxing the rich are fundamentally affected by information that shifts citizens' core fairness beliefs, as well as information on the past trajectory of top tax rates. Our results therefore align with explanations of tax policy preferences that emphasize the importance of fairness perceptions and reference points.

Keywords: Top Income Tax, Distributive Preferences, Top 1%, Tax Cuts

JEL Codes: D63, D83, D91, H24

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1 Introduction

One of the most enduring political economy puzzles of the past 40 years in the United States is why so many ordinary Americans support tax cuts for the rich. A third of Americans approved of President Trump's 2017 Tax Cuts and Jobs Act (TCJA) ([FiveThirtyEight, 2017](#)), which disproportionately benefitted the top 5% of the income distribution ([Tax Policy Center, 2018](#)). This was in spite of most Americans believing the TCJA helped large corporations (65%) and wealthy people (61%) ([CBS News, 2019](#)).

The continued support of a sizeable portion of the American population for tax cuts for the rich is even more surprising given the trajectories of income inequality and taxes on the rich since the 1980s. The pre-tax income share of the top 1% of Americans rose from 10.5% in 1980 to 18.8% in 2019.¹ The top 1% income share in 2019 was equivalent to the income share of the bottom 58% of adults in the US (around 142m people).² The rich are also being taxed less. Top marginal income tax rates ([Piketty, Saez, & Stantcheva, 2014](#)) and overall tax progressivity ([Piketty & Saez, 2007](#)) have fallen substantially since the 1980s; the top federal income tax rate was 70% in 1980 but now stands at just 37%.³ While there are substantial theoretical and empirical literatures on the determinants of redistributive preferences (for reviews, see [Alesina and Giuliano \(2011\)](#); [Iversen and Goplerud \(2018\)](#)) spanning all the way back to Meltzer and Richard's (1981) seminal median-voter model of redistribution, we know much less about what drives ordinary Americans' preferences for cutting taxes on the rich. Why do (some) ordinary citizens support tax cuts for the rich?

A prominent explanation in the political economy literature stresses the role of so-called 'unenlightened self-interest' ([Bartels, 2005](#)). This view starts from the assumption that citizens do not possess full information about tax policy-making and the tax rates that apply to them. Furthermore, particularly poorer people tend to overestimate

¹Top 1% income shares taken from World Inequality Database, accessed 30 July 2021.

²Calculation based on US Census Bureau 2020 Demographic Analysis Estimates by Age and Sex, April 1 2020. The income share data is for all adults 21 and over.

³Tax rates taken from: Tax Policy Center, Historical Highest Marginal Income Tax Rates, Feb 4 2020; and Internal Revenue Service 2021.

their relative position in the income distribution ([Cansunar, 2020](#)). As a consequence, they consistently fail to gauge whether they are directly affected by tax reforms ([Bartels, 2005](#); [Cansunar, 2020](#); [Cruces, Perez-Truglia, & Tetaz, 2013](#); [Fernández-Albertos & Kuo, 2018](#)). If people do not have an accurate picture of their individual tax exposure, this will crucially affect their preference formation. In other words, information asymmetries might explain the surprising support for tax cuts for the rich in times of rising inequality.

In this article, we provide an experimental test to find out whether unenlightened self-interest can explain the enduring support for cutting taxes on the rich among non-rich Americans. We focus on preferences for cutting the top federal income tax rate, as this is a highly progressive and visible tax policy tool that only applies to the top 1% of income earners in the US. Top marginal income tax rates are also a frequently used measure in the existing academic literature on taxing the rich ([Hope & Limberg, 2021](#); [Piketty et al., 2014](#); [Scheve & Stasavage, 2016](#)). To determine the causal drivers of preferences for cutting top federal income tax rates, we run a randomized, online information provision experiment, embedded in a representative survey of around 3,000 US Americans. Our subjects are randomly divided into five groups for the experiment. Each group receives a short statement and a simple column chart. The control group receive factual information on the longest rivers in the United States. The four treatment groups receive factual information relating to potential drivers of preferences for tax cuts for the rich. Most importantly, we test the effect of unenlightened self-interest by informing individuals of their current income and whether it exceeds the threshold of the top income tax rate bracket (\$523,600 yearly income). In addition, we provide treatments that test the importance of fairness considerations ([Almås, Cappelen, & Tungodden, 2019](#); [Bastani & Waldenström, 2021](#)); prospects of upward mobility ([Benabou & Ok, 2001](#); [Piketty, 1995](#)); and trickle-down effects ([Stantcheva, 2020](#)).

We find no support for the widely held view that unenlightened self-interest affects preferences for cutting taxes on the rich. The effect of receiving information

about top federal income tax exposure is close to zero and statistically insignificant. Furthermore, providing information about top federal income tax exposure does not fundamentally alter people's perceptions of whether they would benefit from a tax cut. Irrespective of treatment assignment, the vast majority of respondents believe that cutting the top federal income tax rate does not benefit them personally. Hence, we find no evidence that support for cutting tax rates on the rich can be explained by individuals being ill-informed and "remarkably ignorant and uncertain about the workings of the tax system and the policy options under consideration, or actually adopted, in Washington" ([Bartels, 2005](#), p. 21). The results suggest that individuals typically know whether they are exposed to changes in taxes on the rich. Informing them that they are not paying the top federal income tax rate does not reduce their support for cutting it.

In contrast, we find strong support for fairness-based explanations. Our fairness treatment, which provides individuals with information about the level of inherited wealth amongst the richest US citizens, has a substantial and statistically significant effect on core fairness beliefs, as well as on preferences for cutting the top federal income tax rate. On average, the fairness treatment reduces tax cut support by roughly 5 percentage points. Furthermore, while we find mixed results for the impact of prospects of upward mobility, providing respondents with information about the (lack of) trickle-down effects from previous tax policy changes leads to substantially lower support for cutting taxes on the rich. However, this effect cannot be explained by individuals changing their core beliefs about the macroeconomic benefits of cutting taxes on the rich. Across models, beliefs in potential "trickle-down effects" are surprisingly stable. Instead, the treatment causes respondents to update their beliefs about how taxes on the rich have evolved. Knowing taxes on the rich have fallen substantially in recent decades provides a reference point for respondents, making them significantly less likely to support (further) tax cuts for the rich.

In addition to preferences over tax cuts for the rich, we investigate support for tax hikes. We find that the effects are mostly symmetric. Similar to preferences for

tax cuts, the unenlightened self-interest and prospect of upward mobility treatments have no significant effect on support for tax hikes. In contrast, the fairness and trickle-down information treatments increase political appetite for raising top federal income tax rates. Furthermore, when running subgroup analyses by party affiliation, we find that the effects are almost twice as big for Republicans.

Our research connects closely with the growing body of experimental work in economics and political science aiming to identify causal links between perceptions and redistributive preferences (see [Stantcheva \(2020\)](#) for a review). A number of these papers use online survey tools similar to ours to assess how respondents' beliefs and redistributive preferences are affected by the provision of specific pieces of information. Prominent papers have explored the effect on redistributive preferences of providing information about the evolution of income inequality and taxes ([Kuziemko, Norton, Saez, & Stantcheva, 2015](#)); informing individuals of their position in the income distribution ([Cruces et al., 2013](#); [Fernández-Albertos & Kuo, 2018](#); [Karadja, Mollerstrom, & Seim, 2017](#)); providing pessimistic information about social mobility ([Alesina, Stantcheva, & Teso, 2018](#)); exposing individuals to information that violates equal treatment fairness beliefs ([Scheve & Stasavage, 2021](#)); and providing instructional videos about different aspects of tax policy (i.e. efficiency vs. redistribution) ([Stantcheva, 2020](#)).

Online and laboratory experiments have also been used to explore how redistributive preferences are affected by perceptions of fairness ([Almås et al., 2019](#); [Durante, Putterman, & van der Weele, 2014a](#)) and individuals' position in the income distribution relative to important reference groups (e.g. the bottom ranking income group) ([Fisman, Gladstone, Kuziemko, & Naidu, 2020](#); [Kuziemko, Buell, Reich, & Norton, 2014](#)). Lastly, there is a small but growing literature utilising survey experiments to look at preferences for wealth taxation ([Bastani & Waldenström, 2021](#); [Fisman et al., 2020](#)).

Our paper contributes to the existing literature in three main ways. First, rather than looking at redistributive preferences more broadly, we focus explicitly on pref-

erences for cutting taxes on the rich. Hence, we look at an actual policy proposal – cutting the top federal income tax rate – rather than investigating general preferences for redistribution. This difference is crucial as previous research has detected a mismatch between general redistributive preferences and preferences for specific tax policy changes ([Bartels, 2005](#)).

Second, our research design allows us to test the unenlightened self-interest hypothesis with a survey experiment. Existing research that investigates this explanation is observational in nature ([Bartels, 2005](#); [Franko, Tolbert, & Witko, 2013](#); [Lupia, Levine, Menning, & Sin, 2007](#)). Importantly, we find that the unenlightened self-interest hypothesis does not hold in an experimental setting: Providing people with information about individual tax exposure does not affect tax policy preferences.

Third, we use a suite of treatments to test multiple potential drivers in a single experiment. So far, most studies have either provided "omnibus" information treatments that do not allow different explanatory factors to be disentangled ([Kuziemko et al., 2015](#)) or looked at a subset of explanatory factors ([Durante et al., 2014a](#); [Scheve & Stasavage, 2021](#)). To the best of our knowledge, our survey experiment provides the first causal evidence on what drives the preferences of ordinary Americans for cutting taxes on the rich.

The remainder of the paper is organised as follows. Section 2 reviews the prominent explanations in the existing literature on what drives individuals' preferences for cutting taxes on the rich. Section 3 sets out the design of our online survey experiment, before Section 4 explains the data. Section 5 then presents the main results of the survey experiment, as well as a number of sensitivity and robustness checks. Finally, Section 6 concludes and points to some potentially fruitful avenues for future research.

2 What Drives Preferences for Cutting Taxes on the Rich?

In this section, we summarise the most prominent explanations in the literature for what drives individuals' preferences for redistribution, and more specifically, cutting taxes on the rich.

First and foremost, information asymmetries can play a crucial role for preference formation over redistributive policies. In particular, people's preference formation is driven by unenlightened self-interest about specific policy measures ([Bartels, 2005](#); [Franko et al., 2013](#)). One aspect of the argument stresses that poorer people often tend to overestimate their relative position in the income distribution ([Fernández-Albertos & Kuo, 2018](#)) and informing individuals of their true relative income position can raise demand for redistribution ([Krupnikov, Levine, Lupia, & Prior, 2006](#)). [Cansunar \(2020\)](#) finds that *perceived* income positions are more strongly correlated with preferences for progressive taxation than *actual* income positions. Furthermore, scholars have argued that people often fail to connect tax policy measures to individual economic circumstances, as well as their general preference for redistribution ([Bartels, 2005](#)). Looking at observational survey data about the 2001 Bush tax cut, [Bartels \(2005\)](#) finds that preference formation is largely uninformed and at times 'ignorant'. Hence, misperceptions of individual income positions together with a lack of understanding of tax policy changes constitute the basis of unenlightened self-interest explanations. This, in turn, might help to explain why people support tax cuts for the rich amid rising inequality.

Second, and in contrast to the unenlightened self-interest theory, fairness-based explanations stress the role of other-regarding preferences ([Dimick, Rueda, & Stegmueller, 2018](#); [Durante, Putterman, & van der Weele, 2014b](#); [Fong, 2001](#)). More specifically, scholars have argued that (mis-)perceptions of individual economic gains are only one of many factors that influence preference formation ([Fehr & Schmidt, 1999](#)). Instead, it matters whether other people's income and wealth is seen as "fair" or not ([Durante et al., 2014a](#)). Citizens are less likely to support higher taxes on the richest members of society if their economic success is perceived as deserved, e.g. because of

hard work and merit ([Alesina & La Ferrara, 2005](#); [Fong, 2001](#)). Experimental work has shown that fairness beliefs are important predictors of general tax policy preferences. For instance, [Scheve and Stasavage \(2021\)](#) ran survey experiments in Germany, the United Kingdom, and the United States, and find that equal treatment fairness beliefs affect preferences over progressive taxation. This is in line with a growing literature on the importance of fairness beliefs for distributional choices in the laboratory ([Almås, Cappelen, & Tungodden, 2020](#); [Cappelen, Moene, Sørensen, & Tungodden, 2013](#); [Cherry & Shogren, 2008](#); [Gee, Migueis, & Parsa, 2017](#); [Lefgren, Sims, & Stoddard, 2016](#)). In sum, fairness-based approaches suggest that the perception of the rich in a society is central for tax policy preferences. Thus, perceptions of the rich as deserving their economic success could explain enduring support for tax cuts.

Third, several studies have highlighted the importance of expectations about future economic gains ([Alesina et al., 2018](#); [Piketty, 1995](#)). This work is often collectively referred to as the ‘prospect of upward mobility’ theory ([Benabou & Ok, 2001](#); [Piketty, 1995](#)). The idea is straightforward: it is not only current economic circumstances that affect redistributive preferences, but also expectations about future economic gains. If an individual expects to climb the economic ladder, preferences for progressive taxation will be lower. Hence, even if people do not benefit from tax cuts for the rich immediately, they might expect to gain from these cuts in the future. This, in turn, could help to explain support for such tax reforms.

Finally, ideas about the macroeconomic effects of tax policy reforms matter ([Barnes, 2021](#)). If people think that progressive taxes harm economic growth and slow down employment creation, they might be more likely to support tax cuts for the rich. In particular, people might expect gains to the wider economy and those lower down the income distribution from the ‘trickle-down effects’ of cutting taxes on the rich ([Stantcheva, 2020](#)). Thus, although most citizens are not directly affected by tax cuts for the richest members of society, they could expect indirect economic benefits. This is another potential explanation for why (some) ordinary citizens support tax cuts for the rich.

3 Experimental Design

In order to test which factors drive support for tax cuts for the rich, we run an information provision experiment with a representative US American subject pool.⁴ The survey experiment was conducted between May 2 and May 7 2021. By May 7, 3,157 participants had taken part in our survey. 97 respondents were dropped prior to treatment assignment, e.g. because of lacking information on household income or because they earned more than the top federal income tax threshold. Thus, 3,060 individuals took part in the experiment. The survey had a very low dropout rate of only 3%. On average, it took respondents eight and a half minutes to complete the survey.⁵

Figure 1 provides an overview of our experimental design. The between-subject survey experiment is divided into three main parts. In the first part, respondents are asked a battery of demographic questions prior to receiving the treatment. These cover, among others, age, gender, marital status, education, partisan affiliation, household income, and self-assessed economic policy knowledge. Furthermore, we include a question at the end of the demographics section where we ask respondents whether they have devoted their full attention to the survey so far. This item mainly serves the purpose of increasing respondents' attention prior to treatment assignment (Meade & Craig, 2012).

The second part of the survey randomly assigns participants to five groups. Four groups receive a treatment and one group receives a placebo. The treatments and the placebo consist of a short text and a column chart. Each of the treatments is designed to provide respondents with a negative shock to a particular core belief. We use negative shocks across our four treatments for two main reasons: 1) it allows us to use factual information and thereby avoid deception; and 2) it allows us to directly compare effect sizes across treatments and thereby assess the relative importance of the four explanations in driving preferences for cutting taxes on the rich.

⁴We used quota sampling based on several socioeconomic characteristics (age, gender, income, party affiliation). Further details of the sampling and survey implementation can be found in Appendix A.

⁵The experiment was pre-registered via the American Economic Association registry for Randomized Controlled Trials and was granted ethical clearance from the King's College London College Research Ethics Committee (reference number MRSP-20/21-22999).

Figure 1: Experimental Design

The first treatment looks at the role of unenlightened self-interest by using information about individuals' self-declared household income to inform them whether they are currently paying the top federal income tax rate. Hence, it provides them with information about tax exposure. The second treatment investigates fairness-based explanations. More specifically, this fairness treatment compares the wealth of the richest US Americans who inherited their wealth to the wealth of the bottom 50%. Since inherited wealth does mostly not result from an individual's own hard work and effort, this is likely to affect fairness perceptions (Fong, 2001; Limberg, 2020).

The third treatment, which looks at prospects of upward mobility, shows the probability of an individual becoming part of the top 1% income earners over their lifetime. It contrasts that with the probability of not becoming part of the top 1%. Crucially for our treatment, the chances of becoming part of the top 1% are very slim, with a likelihood of just 2.2%. The fourth treatment focuses on the potential macroeconomic trickle-down effects from cutting taxes on the rich. It shows average annual economic growth and average top federal income tax rates in two time periods: the postwar

period up until 1979 and the period since then. Against what we might expect from ‘trickle-down’ arguments, both taxes on the rich and economic growth were substantially lower in the latter period.

Finally, our placebo treatment presents individuals with information about the two longest rivers in the US. To ensure that individuals are exposed to treatments/placebos for a sufficient amount of time and to increase attention, we set a minimum time of 8 seconds for respondents to view the treatments. Furthermore, we ask a multiple-choice question to test respondents’ understanding of the treatments (and placebo) to ensure participants have paid sufficient attention to the provided information. The complete survey instrument can be found in Appendix E.1. The treatment shown to respondents in the first treatment group can be seen in Figure 2.

Table B1 reports the balance statistics for treatment assignment. We cannot detect any major and systematic imbalances. Hence, randomisation was successful.

The third and final part of the survey measures post-treatment preferences and beliefs. First, we ask respondents whether they support or oppose a reduction in the top federal income tax rate. Possible answers range from 1 – “Very Unsupportive” to 5 – “Very Supportive”. Furthermore, we ask them about the rationale behind their preference towards tax cuts for the rich via an open ended answer field. To check whether the effects of our treatments are similar for reforms that increase taxes on the rich, we also ask respondents whether they support or oppose an increase in the top federal income tax rate. In addition, we ask a battery of core belief questions. For each of these questions, respondents answer on a Likert scale ranging from 1 to 10. Most importantly, we ask people (1) whether they think they would personally benefit from lowering the top federal income tax rate; (2) whether they think people in the top tax bracket deserve a lower tax rate; (3) what has more to do with why a person is in the top federal income tax bracket - hard work or more advantages than others; (4) whether they think they would personally benefit from lowering the top federal income tax rate in the future; (5) whether they think there are benefits for the economy (e.g. jobs created / higher growth) from a reduction in the top

Figure 2: Treatment for Unenlightened Self-Interest

This figure shows the threshold for the top federal income tax rate, as well as the upper threshold of your declared annual income. The left bar shows the threshold for the top federal income tax rate. The right bar shows your household income. You are not in the top federal income tax bracket.

Source: Internal Revenue Service 2021.

Note: The size of the bar on the right-hand side is dependent on respondents' self-reported household income. This figure shows the treatment screen for respondents who indicated that they earned a total annual household income of \$60,000 - \$80,000 before tax.

federal income tax rate. To check whether expressed preferences align with elicited preferences, we also provide respondents with the option of signing up to a mailing list of an organisation that opposes a reduction in the top federal income tax rate, as well as a mailing list of an organisation that supports a reduction of the top federal income tax rate. We trace whether respondents have clicked on a respective link. Both organisations appear next to one another on respondents' screens and their order is randomised.

4 Data

Figure 3 shows how support for cutting the top federal income tax rate is distributed among our respondents. While 60% of respondents oppose a reduction in the top tax rate, roughly 20% neither support nor oppose such a reform and another 20% support a reduction in the top federal income tax rate. Given that we exclude all respondents in the top federal income tax rate bracket, the responses show that a substantial number of Americans support a tax cut for the rich despite not paying the top rate of federal income tax themselves. Classic rational choice theories that assume full information and self-interest based behaviour cannot easily explain this support among ordinary Americans for cutting taxes on the rich.

Figure 3: Support for Cutting the Top Federal Income Tax Rate Among all Respondents

Note: The figure shows the relative frequency of answers for all individuals in the survey across treatment groups. Answer options range from 1="Very unsupportive" to 5="Very supportive".

Furthermore, we look at whether support for tax cuts is correlated with partisanship and a range of socio-economic characteristics (Figure 4). While we only see

marginal differences when looking at gender, age, and income levels, partisan differences are substantial. Among Republicans, more than 34% support cutting the top federal income tax rate. In contrast, only about 13% of Democrats are in favor of this policy.

Figure 4: Support for Cutting the Top Federal Income Tax Rate by Partisanship and Different Socio-Economic Characteristics

Note: The figure shows the relative frequency of answers who were "Supportive" or "Very supportive" of lowering the top federal income tax rate by partisanship and different socio-economic characteristics.

In addition to preferences over tax cuts, we asked respondents about their preferences regarding potential *increases* of the top federal income tax rate. We find almost the exact mirror image of the tax cut question. While around 60% support higher top federal income tax rates, 20% oppose such tax hikes (Figure B1 in the Appendix). Furthermore, we see a similar division along party lines (Figure B2 in the Appendix).⁶

⁶An important but often overlooked factor when doing experimental research on tax policy preferences is whether survey respondents perceive the researchers or the survey as politically biased. To guard against perceptions of bias affecting our results, we also gathered information on whether respondents perceived the survey to be biased. We found no evidence for a widespread perception of bias (Figure B4).

5 Results

5.1 Descriptive Evidence

Did the information treatments affect support for cutting the top federal income tax rate? We measure support for tax cuts by looking at the share of respondents who were either "Supportive" or "Fully supportive" of lowering the top federal income tax rate. Here, we follow [Alesina and Giuliano \(2011\)](#) and [Corneo and Grüner \(2002\)](#) in coding support for tax cuts as a binary variable as differences between the five possible answer categories may not be as meaningful to some respondents.

Figure 5 shows how support for lowering taxes on the rich compares across the control and treatment groups. We do not see big differences in support among those people who received the placebo and those who received the unenlightened self-interest (USI) information treatment. Support for tax cuts is almost identical in the USI group (23.2%) compared to the placebo group (23.3%). Thus, these descriptive data offer little empirical support for the theory that people's lack of knowledge about the tax system and their individual exposure to tax reforms explains enduring support for cutting taxes on the rich. Informing people that they do not pay the top tax rate does not fundamentally alter preferences for cutting the top federal income tax rate. In contrast, we can see that support for top federal income tax rate cuts is substantially lower among respondents who received the fairness treatment (18.4%), the prospect of upward mobility treatment (20.4%), and the trickle-down treatment (17.4%).

We also check whether we see a similar pattern when looking at support for tax increases (Figure B3). In line with our findings above, the unenlightened self-interest information treatment does not increase support for top tax rate hikes. In fact, support is even slightly lower in the unenlightened self-interest group (54.5%) compared to the control group (58.1%). In contrast, support is substantially higher in the treatment groups that received the fairness information treatment (64.2%), the trickle-down information treatment (67%), and support is also slightly higher in the group that received the prospects of upward mobility treatment (60.5%).

Figure 5: Support for Lowering the Top Federal Income Tax Rate For Control and Treatment Groups

Note: The figure shows the share of respondents in the control group as well as in the different treatment group who were "Supportive" or "Very supportive" of lowering the top federal income tax rate.

5.2 Main Effects on Tax Preferences

To estimate the treatment effects on support for cutting the top federal income tax rate, we run ordinary least squares (OLS) regressions. Again, our dependent variable measures whether a respondent supports cutting the top tax rate. We create a dummy variable for each of our treatments, while respondents who received the placebo form the reference group. This allows us to directly compare the effect sizes of our four treatments. In addition, we include a battery of covariates in our model. These cover a wide range of individual socio-economic characteristics. Among others, we control for income, gender, age, education, children, employment status, and party affiliation.⁷ Thus, the estimated equation takes the following form:

$$TaxPref_i = \beta_0 + \beta_1 U_i + \beta_2 F_i + \beta_3 P_i + \beta_4 T_i + \sum_{k=1}^K \beta_k Z_{ki} + \varepsilon_i \quad (1)$$

Where, $TaxPref_i$ measures the support of individual i for cutting taxes on the rich, β_1 is the estimated coefficient of the unenlightened self-interest treatment, β_2

⁷For a full list of covariates, see Table 1.

denotes the coefficient of the fairness treatment, β_3 is the coefficient for the prospects of upward mobility treatment, and β_4 is the coefficient for the trickle-down information treatment. The placebo river length information treatment is our main reference group. β_0 is the intercept, $\sum_{k=1}^K \beta_k$ denotes the coefficients for up to K covariates, and ε_i is the error term.

Table 1 shows the full regression results including all covariates. Since we are mainly interested in the effects of our information treatments, we present the main estimates including confidence intervals in Figure 6. First and foremost, we cannot see any effect of the unenlightened self-interest treatment on support for cutting the top federal income tax rate. The treatment effect is close to zero and statistically insignificant. This finding holds when adding covariates. Furthermore, the finding is similar for support for tax hikes: informing individuals that they do not fall into the top income tax bracket has no effect on their support for increasing top tax rates.

Table 1: Main Regression Models

	DV: Support For Tax Cut		DV: Support For Tax Increase	
	Model 1	Model 2	Model 3	Model 4
Unenlightened Self-Interest	-0.163660 (2.394136)	-0.723696 (2.356325)	-3.633218 (2.862042)	-2.937366 (2.581952)
Fairness	-4.950671* (2.386889)	-5.021608* (2.352184)	6.019456* (2.855899)	5.131300* (2.579091)
POUM	-2.895267 (2.401540)	-3.337454 (2.365523)	2.345514 (2.851051)	2.868677 (2.580773)
Trickle-Down	-5.907762* (2.383830)	-5.872044* (2.354206)	8.823529** (2.862042)	8.445031** (2.587500)
Income		-0.000023 (0.000015)		-0.000022 (0.000016)
Age		-0.111297 (0.071075)		0.152692 (0.078311)
Children		5.225836** (1.736696)		-4.939672** (1.911530)
College Degree		-5.171262* (2.573617)		9.961548*** (2.794325)
Male (Ref. Female)		0.915184 (1.568237)		-0.567653 (1.721629)
Other (Ref. Female)		1.124453 (11.483032)		32.566336** (12.254484)
Social Class		1.933374 (1.113414)		-2.420227* (1.217745)
Economic Knowledge		2.578221* (1.261651)		4.348978** (1.385485)
Uburan (Ref. Rural)		5.086689* (2.393940)		0.073920 (2.620816)
Suburan (Ref. Rural)		4.528113* (2.118936)		-0.112994 (2.315736)
Republican (Ref. Democrat)		19.936764*** (1.798901)		-47.440213*** (1.974943)
Other Party (Ref. Democrat)		7.875429*** (2.080336)		-26.025957*** (2.286714)
No Party (Ref. Democrat)		6.752810 (4.764164)		-29.279288*** (5.219134)
Part-Time (Ref. Full-Time Employment)		-3.277629 (2.594953)		-0.736948 (2.821536)
Unemployed (Ref. Full-Time Employment)		0.234850 (2.945249)		-4.626835 (3.191906)
Retiree (Ref. Full-Time Employment)		-0.857913 (3.574064)		-3.445605 (3.938326)
Self-Employment (Ref. Full-Time Employment)		-3.895468 (2.752141)		2.216098 (3.019203)
Student (Ref. Full-Time Employment)		8.683208** (3.204691)		-4.891334 (3.517750)
Not Looking for Work (Ref. Full-Time Employment)		-8.737706** (3.201788)		0.941731 (3.480952)
Affected By COVID-19		2.094092 (1.723140)		-2.473338 (1.886771)
AIC	29232.110625	28532.575508	30810.811273	29811.005993
BIC	29267.853689	28698.831998	30846.654339	29977.924358
Num. obs.	2856	2801	2904	2868

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

In contrast, the fairness information treatment significantly reduces support for tax cuts by around 5 percentage points. Overall, these findings indicate that fairness perceptions are a crucial driver of support for tax cuts for the rich. We also find a similar, yet mirrored effect on support for tax increases. The effect of the prospects of upward mobility treatment on support for tax cuts is negative with an effect size of around 3 percentage points. However, the treatment effect is statistically insignificant across models. Finally, we find a strong negative effect of our trickle-down treatment (around 6 percentage points). The effect size is even higher when looking at support for tax hikes (8.5 percentage points).

Figure 6: Treatment Effects on Support for Tax Cut and Tax Increase

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

We run a series of alternative specifications to check our results. Among others, we run models where we use a re-coded 3-point scale (1=Support, 2=Neither Support Nor Oppose, 3=Oppose) as the dependent variable (Figure C8), weight observations to ensure representativeness (Figure C9), exclude those participants who did not find the information presented believable (Figure C10), rerun the analysis while excluding

all respondents who either completed the survey in less than 200 seconds or who looked at the treatment for less than 15 seconds (Figure C11), and exclude individuals who report inconsistent preferences for tax policy-making by supporting both tax cuts and hikes (Figure C12). The main results of our analysis are robust to these alternative specifications.

5.3 Main Effects on Core Beliefs

In a second step, we look at the effects of the treatments on core beliefs. More specifically, we look at six core belief items. The first three items ask respondents: (1) whether they think they would personally benefit from cutting the top tax rate; (2) whether they think they will personally benefit from such cuts in the future; and (3) whether they think they are personally affected by such cuts in any way. We also ask respondents whether they think there are benefits for the economy (e.g. jobs created / higher growth) from a reduction in the top federal income tax rate. Finally, we ask two items that measure core beliefs related to fairness and deservingness perceptions: (1) whether respondents think households in the top federal income tax bracket deserve a lower tax rate; and (2) whether they think people in the top federal income tax bracket have worked harder than others. Respondents answer these questions on a 0-10 Likert scale and answers are standardised to range from 0 to 100.

Figure 7 shows the results. The unenlightened self-interest information treatment does not affect any of the core belief dimensions. In particular, we find no effects on individuals beliefs about being affected by tax cuts. People who received the unenlightened self-interest information treatment are not less likely to believe that they profit from cutting top tax rates now or in the future. Furthermore, they are not less likely to believe that they are affected by tax cuts for the rich in any way. Hence, information of tax exposure does not lead to a change in beliefs regarding tax exposure. By and large, people seem to be fairly well-informed about whether they are affected by a cut in the top federal income tax rate (or not).

The fairness information treatment has a statistically significant effect on the two

Figure 7: Treatment Effects on Core Beliefs

Note: The figure shows the effect of the different treatments on core beliefs. All values have been standardised to a 0 to 100 scale.

core belief questions about fairness and deservingness. Respondents who received this treatment are less likely to think that households in the top federal income tax bracket deserve a lower tax rate and that people in the top federal income tax bracket have worked harder than others. Hence, our fairness treatment affects core fairness beliefs as intended.

The coefficients for the prospect of upward mobility treatment are mostly statistically insignificant. The treatment does not fundamentally affect people's beliefs about whether they benefit from tax cuts now or in the future. The effect on beliefs about being generally affected narrowly misses statistical significance at the 95% level. The same applies to deservingness beliefs. This is an interesting finding, which might indicate a potential overlap between perceptions of personal income mobility and fairness beliefs.

Finally, the trickle-down treatment does not have a significant effect on any of the core belief items. Most strikingly, the treatment does not affect people's belief about

the economic benefits of cutting taxes for the rich. Macroeconomic beliefs seem to be extremely sticky. However, in an additional analysis we find that this treatment has a statistically significant impact on people’s knowledge about past policy trajectories of the top federal income tax rate (Figure 8). More specifically, we look at the effect on the likelihood of stating that top federal income tax rates have declined in the past decades. The effect is substantial as it increases the share of people who state that top tax rates have declined by around 23 percentage points. In other words, informing people that top tax rates have declined and that this decline was not correlated with higher economic growth does not lead to updated beliefs about trickle-down effects. Mainly, it provides people with information about past tax cuts. This, in turn, decreases the likelihood of supporting further cuts in the future. The fairness and the prospect of upward mobility treatments do not affect perceptions about the development of the top tax rate. Interestingly, however, we find that informing people that they are not paying the top federal income tax rate makes them slightly less likely to believe that the top tax rate has declined in the past decades.

Figure 8: Treatment Effects on Knowledge About Historical Development of Top Federal Income Tax Rates

Note: The figure shows the effect of the different treatments on stating that the top federal income tax rate has declined in recent decades.

5.4 Trickle-Down Treatment Effect

In the previous section we reported that the trickle-down treatment significantly reduced support for tax cuts by providing information about past tax cuts rather than by updating beliefs about trickle-down effects. While this finding is in itself interesting, it raises the question of why providing this information has such a large effect on preferences. To try to answer this question, we ran a follow-up experiment to test two potential mechanisms.⁸

First, given the importance of our fairness treatment, we consider the possibility that respondents' fairness perceptions were affected by the information provided to the trickle-down treatment group. When being informed of recent cuts to the top rate of federal income, respondents may have compared these cuts to the (smaller) tax cuts in their own tax bracket leading to a sense of unfairness. While all our initial questions aimed at measuring fairness beliefs were unaffected by the trickle-down treatment (see Figure 7), a question more specifically aimed at capturing the potential unfairness created through the trickle-down information may be able to capture any potential treatment effects.

Second, the observed effect may be due to the information of the trickle-down treatment providing a reference point for respondents. It is well known that reference points influence a variety of preferences (Kőszegi & Rabin, 2006; O'Donoghue & Sprenger, 2018; Tversky, 1979). In particular, if subjects have little knowledge about the historical development of the top federal income tax rate, the information provided in the trickle-down treatment may be significant to respondents' subsequently expressed preferences.

To test both potential explanations we re-ran our main analysis for the trickle-down and placebo treatments and asked two additional questions. To test the fairness-based explanation, we asked respondents for their agreement with the statement "Because households in the top federal income tax bracket have received tax cuts over the past 40 years, they don't deserve another tax cut." To test the reference point ex-

⁸Details of this follow-up experiment can be found in Part A.3 of the Appendix.

planation we asked for respondents for their agreement with the statement “Because the top federal income tax rate is lower now than it was 40 years ago, it should be increased.”⁹

Figure 9 shows the results. Again, the placebo information treatment is the reference category and we present models calculated with and without a set of covariates. While all coefficients are positive, the effect of the trickle-down information treatment on fairness perceptions of past tax cuts fails to reach conventional levels of statistical significance. Hence, the fact that the trickle-down treatment significantly reduces support for cutting top tax rates cannot be explained by fairness perceptions connected to past tax cuts. This is also in line with our reported findings in Section 5.3, where we do not find an effect of the trickle-down treatment on general fairness and deservingness beliefs.

In contrast, the trickle-down treatment does have a statistically significant effect on support for the statement that the top federal tax rate should be increased because it is lower than it was 40 years ago. On average, support for the statement increases by around 9 percentage points. Given this significant effect, we further probe the reference point explanation by asking respondents what they would consider an appropriate rate for the top federal income tax rate. We find that respondents in the trickle-down treatment answer with a significantly higher appropriate rate than respondents in the placebo group.¹⁰

Hence, the findings show strong support for a reference point explanation. Because respondents know that top tax rates have been higher in the past, they take historical tax rates as a reference point and oppose further tax cuts. In sum, these findings indicate that informing individuals about the fact that past top tax rate cuts have not been accompanied by more economic growth does not alter beliefs about the economic efficiency of tax cuts. Instead, it provides respondents with a new reference

⁹These questions were added at the end of the survey experiment, just before the preference elicitation, to avoid the information referenced in the statements influencing the answers to the earlier questions on core beliefs and preferences. The exact wording of the additional questions included in the robustness check experiment can be found in Appendix E.3.

¹⁰The results of this additional test can be found in Appendix C.5.

point which ultimately lowers demand for further tax cuts.

Figure 9: Treatment Effects of Trickle-Down Treatment on Beliefs Connected to Past Tax Policy Reforms

Note: The figure shows the effect of the trickle-down information treatment on agreement with the statement “Because households in the top federal income tax bracket have received tax cuts over the past 40 years, they don’t deserve another tax cut” as well as with the statement “Because the top federal income tax rate is lower now than it was 40 years ago, it should be increased.”

5.5 Subgroup Effects

The previous sections have shown that the unenlightened self-interest treatment has no effect on preferences for tax cuts and core beliefs about tax exposure. However, it is important to note that unenlightened self-interest treatment varies by household income status. Thus, one might expect that the treatment effect is moderated by income status. We check this by running interaction effects between unenlightened self-interest and household income. Across models, the interaction effect is statistically insignificant (Table C1). Figure 10 visualises this by plotting the marginal effect of the unenlightened self interest treatment. Furthermore, it also shows the results when

using a binning estimator. This approach can test whether there is a conditional treatment effect for subgroups of the moderator variable (Hainmueller, Mummolo, & Xu, 2019). We divide the sample into 8 groups of equal sample size. Across these groups, we do not find an effect of the unenlightened self-interest information treatment on preferences for tax cuts. Furthermore, we get similar results when looking at tax increases (Figure C1).

Figure 10: Treatment Effects of Unenlightened Self-Interest on Support for Tax Cuts Conditional on Household Income

Note: The figure shows the marginal effect of the unenlightened self-interest information treatment. Respondents who received the river information placebo form the reference category.

We also recalculate our models by splitting the sample into people with income below and above the median US household income (roughly \$70,000). The effect of the unenlightened self-interest treatment on tax preferences remains statistically insignificant for both subgroups (Figures C2 & C3). When looking at the impact of the unenlightened self-interest treatment on core beliefs in the two subgroups, we find no effect on the perception of recent or future personal benefits. However, for people with a household income above \$70,000, we do find that the unenlightened

self-interest treatment has a negative effect on perceptions of being generally affected by cutting the top tax rate (Figures C4 & C5).

In addition to subgroup effects for different levels of household income, we check whether our treatment effects vary for Democrats and Republicans. Since we have sampled our respondents based upon partisan affiliation, around a third of respondents do not affiliate with any of the two major US parties. Hence, we lose statistical power when differentiating between Republicans and Democrats and, as a consequence, treatment effects are more likely to become insignificant. Figure C6 shows the results. First and foremost, the unenlightened self-interest treatment does not affect tax policy preferences for either Democrats or Republicans. For Democrats, the results show that the fairness treatment reduces support for top tax rate cuts. Interestingly, the results are slightly asymmetric for Republicans when looking at the treatment effects on support for tax cuts and tax hikes. The fairness and trickle down treatments have a negative, yet statistically insignificant, effect on support for tax cuts. In contrast, both factors lead to significantly more support for tax increases. Furthermore, the effect size increases substantially for both treatments.

Figure C7 shows the effect of the treatments on core beliefs by party affiliation. While the unenlightened self-interest has a slight negative effect on beliefs about being generally affected by top tax rate cuts, this effect disappears for Republicans. In contrast, the fairness treatment has a much stronger impact on core fairness and deservingness beliefs for Republicans. One potential explanation for this could be a ceiling effect for fairness beliefs. Since Democrats are much more likely to view the economic success of the rich as undeserved, our fairness information treatment poses a weaker negative shock for their beliefs than for Republicans.

5.6 Validity Checks

In order to check the validity of our findings, we perform three additional sets of analyses. First, we rerun the experiment by providing a USI treatment with unconditional treatment information. While we also do not find treatment effects for the USI treat-

ment when testing for subgroup effects, the fact that the information was provided conditional on respondents' household income may have nonetheless influenced the results. To provide an unconditional USI treatment we rephrase the treatment information to refer to average household income as opposed to the specific income bracket the respondent is in. In other words, we compare the threshold of the top federal income tax bracket with the income of the average household income in the US, while still informing individuals that they are not paying the top federal income tax rate.¹¹ Figure 11 presents the results. The results are in line with our previous findings: the USI treatment has no statistically significant impact on preferences for tax cuts. These findings hold when adding a set of covariates and when looking at preferences for top tax rate tax hikes instead of cuts. Across all models, the USI information treatment does not affect tax policy preferences.

Figure 11: Treatment Effects of Unconditional Unenlightened Self-Interest on Support for Tax Cuts

Note: The figure shows the effect of the unconditional unenlightened self-interest treatment on support for cutting/raising the top federal income tax rate.

Second, we check whether our main independent variables – preferences for/against tax cuts and hikes – correlate with elicited preferences. We run regression analyses where we check whether people who stated support for tax cuts (tax hikes)

¹¹The treatment information and figure provided in our unconditional USI treatment can be found in Appendix E.2.

are more likely to click on the link that gives them the option of signing up to a mailing list of a US organisation that supports a reduction (increase) in the top federal income tax rate. Figure 12 shows the results. We see clear support for the assumption that *stated* preferences for tax cuts (tax hikes) are strongly correlated with *elicited* preferences for tax cuts (tax hikes). The coefficient on stated preferences is positive and statistically highly significant for both tax cuts and tax hikes.

Figure 12: Connection Between Stated and Elicited Preferences

Note: The figure shows the coefficients of stated support for cutting/raising the top federal income tax rate when regressed on elicited preferences. Results are based on linear probability models with a full battery of covariates.

Third, we investigate whether individuals refer to a set of dominant core beliefs when explaining their tax policy preferences. To do so, we analyse respondents' answers to our open-ended question about the rational for their expressed preference over tax cuts for the rich. Figure 13 reports the terms used by respondents across all our treatments to justify their stated preference. By far the most frequently used term is "fair share". While we do not find evidence for differences in terms used across treatments (see Figure B5 in Appendix B.4), the expressed sentiment in the answers to this question mirrors our main finding - respondents are primarily concerned with fairness when thinking about their preferences for tax cuts for the rich.

In addition, Figure 14 reports the most-used terms by respondents depending on their stated support for cutting taxes on the rich. We see the term "fair share" is primarily used by respondents who are unsupportive of tax cuts. In contrast, people

who support tax cuts for the rich more frequently refer to overall tax levels and federal fiscal policy-making more generally.

6 Conclusion

This study is motivated by an enduring puzzle in political economy – why so many ordinary Americans support tax cuts for the rich. Continued support for this policy in the US is even more baffling given recent decades have been characterised by substantial reductions in taxes on the rich (Piketty & Saez, 2007; Piketty et al., 2014) and rapidly rising inequality, especially at the top of the income distribution (Alvaredo, Atkinson, Piketty, & Saez, 2013). In exploring this puzzle, we focus first on the most prominent existing explanation for why individuals support tax cuts on the rich that they don't directly benefit from, which stresses the role of unenlightened self-interest. Citizens are simply often poorly informed about their own exposure to tax reforms (Bartels, 2005). We then contrast this with alternative explanations that focus on fairness considerations (Almås et al., 2019; Durante et al., 2014a), prospects of upward mobility (Benabou & Ok, 2001; Piketty, 1995), and trickle-down effects (Stantcheva, 2020).

To determine the causal drivers of preferences for cutting taxes on the rich, we carry out an online, randomized information provision experiment, embedded in a representative survey of around 3,000 Americans. The subjects are randomly assigned into five equal-sized groups and then receive a placebo or one of four treatments. The treatments contain factual information relating to each of the four main drivers of preferences for cutting taxes on the rich, which allows us to compare their relative importance. We find no evidence that unenlightened self-interest affects preferences for reducing the top rate of federal income tax. The same goes for the prospect of upward mobility. On the other hand, we find strong support for fairness-based explanations. We also find that informing individuals about the past trajectory of taxes on the rich fundamentally alters their policy preferences.

Our results are in line with a growing body of experimental work that finds fairness considerations are a crucial influence over preferences for redistribution and tax policies (Almås et al., 2019; Bastani & Waldenström, 2021; Durante et al., 2014a), whereas they show no support for explanations that focus on individuals misperceiv-

ing their exposure to changes in tax policy ([Bartels, 2005](#); [Cansunar, 2020](#); [Cruces et al., 2013](#); [Fernández-Albertos & Kuo, 2018](#)). Our findings also emphasize the importance of reference points ([Kőszegi & Rabin, 2006](#); [O'Donoghue & Sprenger, 2018](#); [Tversky, 1979](#)) in the formation of preferences for taxing the rich.

This study opens up several interesting avenues for future research. First, research could explore whether the results generalize outside of the United States. This is particularly pertinent, as other experimental work has found fairness views can differ substantially across countries ([Almås et al., 2019](#)). Second, the top federal income tax rate is only one tax on the rich. It would be important to know the extent to which our results also apply to other taxes on the rich that have declined over recent decades such as corporate income tax and inheritance tax. Lastly, our findings show how sticky trickle-down beliefs are, even in the face of empirical evidence that lower taxes on the rich have been associated with slower economic growth. Future research could further investigate both the origin and persistence of trickle-down beliefs.

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Appendix

Part A: Materials and Methods

A.1 Overview

We conducted our survey experiment using Qualtrics for the design of the study and Prolific Academic for the recruitment of participants. Prolific Academic is a web-based panel with about 42,891 participants currently resident in the US as of June 2021. Participants on Prolific have been found to pay significantly more attention and provide responses of higher quality than those registered on mTurk ([Peer, Brandimarte, Samat, & Acquisti, 2017](#)).

Our main experiment was conducted between the 2nd and 7th of May 2021. The average completion time was 8 minutes and 30 seconds and respondents earned on average the equivalent of £5.82/hr for their participation. The full survey instrument we used is available in Part E of this appendix. The data and code used for the analysis will be made available online at Harvard Dataverse for replication purposes upon acceptance for publication.

A.2 Sampling and Survey Implementation

To generate a representative sample of the US population, we conducted quota-based sampling and ran our survey experiment on 360 individual subgroups. We used the US Current Population Survey ([US Census Bureau, 2018](#)) to create our subgroups based on age, gender, party affiliation and household income. Table A1 reports the number of targeted subjects per subgroup, assuming a total (targeted) sample size of 5,000 subjects. Table A2 reports the subgroups that we could not fill entirely on Prolific. We were unable to fill these subgroups as too few participants with the specified attributes, in particular older age groups, are signed up on the platform. To account for this, we ran additional analyses where we count these subgroups accordingly to ensure representativeness (Figure [C9](#)).

Table A1: Stratification: Target by Subgroup

	Gender									
	Female					Male				
	Age group					Age group				
	18-24	25-34	35-44	45-54	55+	18-24	25-34	35-44	45-54	55+
<i>Democrats</i>										
Income										
< \$10,000	5	7	7	6	16	5	7	7	6	15
\$10,000s	8	12	11	10	25	7	11	10	10	24
\$20,000s	8	12	11	10	25	7	11	10	10	24
\$30,000s	7	12	11	10	25	7	11	10	10	24
\$40,000s	8	12	11	10	25	7	11	10	10	24
\$50,000s	7	11	10	9	22	7	10	9	9	22
\$60,000s	6	9	9	8	20	6	9	8	8	19
\$70,000s	5	8	8	7	18	5	8	7	7	17
\$80,000s	5	7	7	6	16	5	7	6	6	15
\$90,000s	4	7	6	6	14	4	6	6	6	14
\$100,000s	15	23	21	20	48	14	22	20	19	47
> \$150,000s	17	27	25	24	58	17	26	24	23	56
<i>Republicans</i>										
Income										
< \$10,000	4	6	5	5	12	4	6	5	5	12
\$10,000s	6	9	8	8	20	6	9	8	8	19
\$20,000s	6	9	8	8	20	6	9	8	8	19
\$30,000s	6	9	8	8	19	6	9	8	8	19
\$40,000s	6	9	8	8	20	6	9	8	8	19
\$50,000s	5	8	8	7	18	5	8	7	7	17
\$60,000s	5	7	7	6	16	5	7	6	6	15
\$70,000s	4	7	6	6	14	4	6	6	6	14
\$80,000s	4	6	5	5	12	4	6	5	5	12
\$90,000s	3	5	5	5	11	3	5	5	4	11
\$100,000s	11	18	16	15	38	11	17	16	15	37
> \$150,000s	14	21	19	18	45	13	20	19	18	44
<i>Others</i>										
Income										
< \$10,000	6	10	9	9	21	6	10	9	8	21
\$10,000s	10	16	14	14	34	10	15	14	13	33
\$20,000s	10	16	14	14	34	10	15	14	13	33
\$30,000s	10	15	14	14	33	10	15	14	13	32
\$40,000s	10	16	14	14	34	10	15	14	13	33
\$50,000s	9	14	13	12	30	9	14	13	12	29
\$60,000s	8	12	11	11	27	8	12	11	11	26
\$70,000s	7	11	10	10	24	7	11	10	10	23
\$80,000s	6	10	9	9	21	6	9	9	8	20
\$90,000s	6	9	8	8	19	6	9	8	8	18
\$100,000s	20	30	28	27	65	19	30	27	26	63
> \$150,000s	23	36	33	32	78	23	35	32	31	75

Table A2: Stratification: Respondents reached by subgroup

	Gender									
	Female					Male				
	Age group					Age group				
	18-24	25-34	35-44	45-54	55+	18-24	25-34	35-44	45-54	55+
<i>Democrats</i>										
Income										
< \$10,000	✓	✓	✓	5	3	✓	✓	✓	4	1
\$10,000s	✓	✓	✓	✓	17	✓	✓	✓	8	8
\$20,000s	✓	✓	✓	9	20	✓	✓	✓	6	13
\$30,000s	✓	✓	✓	✓	12	✓	✓	✓	2	8
\$40,000s	✓	✓	✓	7	13	✓	✓	✓	3	4
\$50,000s	✓	✓	✓	✓	18	✓	✓	✓	5	9
\$60,000s	✓	✓	✓	✓	14	✓	✓	✓	✓	6
\$70,000s	✓	✓	✓	✓	10	✓	✓	✓	✓	9
\$80,000s	✓	✓	✓	✓	10	✓	✓	✓	✓	3
\$90,000s	✓	✓	✓	✓	6	✓	✓	✓	5	6
\$100,000s	✓	✓	✓	17	18	✓	✓	✓	16	9
> \$150,000s	✓	✓	✓	15	10	✓	✓	✓	15	4
<i>Republicans</i>										
Income										
< \$10,000	✓	✓	✓	3	2	✓	2	4	0	0
\$10,000s	3	8	4	6	5	4	7	2	4	5
\$20,000s	✓	6	2	✓	11	✓	7	3	3	2
\$30,000s	4	✓	7	✓	14	4	✓	✓	2	7
\$40,000s	✓	6	✓	7	5	✓	✓	5	6	1
\$50,000s	3	✓	✓	✓	12	3	✓	6	5	7
\$60,000s	1	✓	✓	✓	6	3	✓	✓	3	6
\$70,000s	✓	✓	✓	✓	4	✓	✓	3	2	4
\$80,000s	1	✓	✓	2	3	3	✓	✓	1	3
\$90,000s	✓	✓	✓	4	3	✓	✓	✓	3	4
\$100,000s	8	✓	13	12	6	✓	✓	✓	✓	5
> \$150,000s	4	11	4	7	4	10	15	14	6	4
<i>Others</i>										
Income										
< \$10,000	✓	✓	✓	3	6	✓	✓	✓	2	2
\$10,000s	✓	✓	✓	13	14	✓	✓	✓	2	4
\$20,000s	✓	✓	✓	5	13	✓	✓	12	6	8
\$30,000s	✓	✓	✓	11	7	✓	✓	✓	9	8
\$40,000s	✓	✓	✓	11	12	✓	✓	✓	7	11
\$50,000s	✓	✓	✓	11	7	✓	✓	✓	10	5
\$60,000s	✓	✓	✓	6	6	✓	✓	✓	8	6
\$70,000s	✓	✓	✓	4	5	✓	✓	✓	5	3
\$80,000s	✓	✓	5	6	6	✓	✓	✓	7	9
\$90,000s	✓	✓	✓	8	5	✓	✓	✓	6	4
\$100,000s	✓	✓	23	12	6	✓	✓	✓	15	7
> \$150,000s	17	10	14	14	6	13	22	20	4	6

A.3 Robustness Check Experiment

We conducted a follow-up experiment on the 6th of August 2021 with a total of 1,200 participants. The aim of this follow-up study was to test the robustness of our USI treatment and the potential mechanisms underlying the observed effect of the trickle-down treatment.

The average completion time was 9 minutes and respondents earned again, on average, the equivalent of £5.82/hr for their participation. The additional questions and treatment we added for this follow-up experiment can be found in Part E.2 and E.3 of this appendix.

Given the reduced sample size of our robustness check experiment we did not use the same quota-based sampling as in the main experiment. Instead, we only created subgroups based on political affiliation. Specifically, using the same weights used to generate our subgroups for political affiliation as described in A.2, we recruited 384 Democrats, 300 Republicans, and 516 participants who identify with neither Democrats nor Republicans.

Part B: Additional Descriptives

B.1 Support for Tax Increases

Figure B1 reports respondents' preferences for increasing the top federal income tax rate. The graph almost mirrors Figure 3 in the main text. The majority of respondents are either supportive or very supportive of raising the tax rate while less than 20% of respondents state that they are unsupportive or very unsupportive.

Figure B2 disaggregates the data from Figure B1 by party affiliation and different socio-economic characteristics. Similar to Figure 4 in the main text we find plausible patterns of support across parties: Democrats overwhelmingly state strong support for raising the top federal income tax rate while Republicans do not.

Figure B1: Support for Raising the Top Federal Income Tax Rate

Note: The figure shows the relative frequency of answers for all individuals in the survey across treatment groups. Answers options range from 1="Very unsupportive" to 5="Very Supportive". "Don't know" answers were excluded and made up around 6% of all observations.

Figure B3 compares the average support for tax increases in the control group with the average support in each of the four treatment groups. We again measure support for tax increases by looking at the share of respondents who were either "Supportive" or "Fully supportive" of increasing the top federal income tax rate. We find that support for tax increases is highest amongst individuals that received the fairness and trickle-down information treatments.

B.2 Political Bias

Figure B4 shows the distribution of perceived political bias amongst our respondents. 82.7% of respondents state that they did not perceive the survey as biased, whilst 11.5% sensed a left-wing and 5.7% a right-wind bias.

Figure B2: Support for Raising the Top Federal Income Tax Rate by Partisanship and Different Socio-Economic Characteristics

Note: The figure shows the relative frequency of answers who were "Supportive" or "Very supportive" of raising the top federal income tax rate by partisanship and different socio-economic characteristics.

B.3 Balance Checks

Table B1 shows the balance statistics for each treatment compared to the placebo treatment. Overall, we cannot detect any major and systematic covariate imbalances.

Figure B3: Support for Raising the Top Federal Income Tax Rate For Different Treatments

Note: The figure shows the share of respondents in the control group as well as in the different treatment group who were "Supportive" or "Very supportive" of raising the top federal income tax rate.

Figure B4: Perception of Political Bias

Note: The figure shows the relative frequency of answers whether the respondent perceived the survey as politically biased.

Hence, randomisation was successful. Out of the 80 coefficients, only 3 are statistically significant on the 5% level. People who received the fairness treatment are slightly more likely to come from a suburban region. Furthermore, there are a few more people from lower social classes as well as students who received the POUM treatment compared with the placebo group. Throughout our analyses, we deal with these random remaining imbalances by additionally running regression models that include all covariates listed in Table B1. Finally, we can also see that all treatment groups are of almost identical size. Solely the Trickle-Down treatment group had slightly fewer observations than the other treatment groups. This is due to missing covariates as well as "Don't Know" answers for the tax preference question. Overall, however, these differences are negligible and insignificant. In total, there are around 14 fewer full observations for the Trickle-Down treatment group, accounting for less than 2.5% of each treatment group size and less than 0.5% of the overall sample size.

Table B1: Balance Test For Treatment Assignment

	USI	FAIR	POUM	TD
Income	0.000001 (0.000000)	0.000000 (0.000000)	0.000000 (0.000000)	0.000000 (0.000000)
Age	0.001288 (0.001412)	0.000882 (0.001375)	0.001886 (0.001384)	0.001712 (0.001405)
Children	0.013866 (0.033926)	0.009064 (0.034645)	-0.042693 (0.035207)	0.009777 (0.034543)
College Education	-0.013399 (0.049612)	-0.001143 (0.050203)	-0.026931 (0.047973)	0.037770 (0.051989)
Male (Ref. Female)	0.015063 (0.030595)	0.011451 (0.030847)	0.040257 (0.030374)	0.013236 (0.030931)
Other (Ref. Female)	0.377915 (0.207761)	0.363229 (0.192514)	-0.442565 (0.504716)	0.003552 (0.360221)
Social Class	-0.017770 (0.021379)	-0.037611 (0.021915)	-0.045148* (0.021292)	-0.033090 (0.022530)
Economic Knowledge	0.031718 (0.024718)	0.018876 (0.023994)	0.004700 (0.024441)	0.010696 (0.024151)
Urban (Ref. Rural)	-0.014851 (0.045014)	0.061409 (0.047660)	0.032404 (0.046765)	0.016261 (0.046280)
Suburban (Ref. Rural)	-0.011880 (0.039537)	0.097632* (0.041983)	0.061382 (0.041241)	0.034913 (0.040963)
Republican (Ref. Democrat)	0.019354 (0.035100)	-0.020255 (0.036262)	0.014421 (0.035543)	0.009137 (0.036013)
Other Party (Ref. Democrat)	-0.001743 (0.041341)	0.014377 (0.040564)	0.024553 (0.040370)	0.044696 (0.040775)
No Party (Ref. Democrat)	0.115346 (0.089800)	0.112260 (0.087170)	0.111175 (0.082568)	-0.034548 (0.101754)
Part-Time (Ref. Full-Time Employment)	-0.029223 (0.050773)	0.015636 (0.049610)	0.025220 (0.049525)	-0.023090 (0.051638)
Unemployed (Ref. Full-Time Employment)	0.047412 (0.055905)	-0.012717 (0.057868)	0.033533 (0.055651)	0.001037 (0.059786)
Retiree (Ref. Full-Time Employment)	-0.136512 (0.073459)	-0.024974 (0.068801)	-0.055041 (0.069060)	-0.053661 (0.069157)
Self-Employment (Ref. Full-Time Employment)	0.011490 (0.055676)	0.011850 (0.055901)	0.046235 (0.054523)	0.031591 (0.055417)
Student (Ref. Full-Time Employment)	0.013539 (0.063803)	-0.025198 (0.065070)	0.126654* (0.058505)	0.077225 (0.062602)
Not Looking for Work (Ref. Full-Time Employment)	-0.074843 (0.058833)	-0.111031 (0.059986)	-0.087459 (0.060106)	-0.026725 (0.056886)
Affected By COVID-19	0.033617 (0.033849)	0.019800 (0.034442)	-0.006444 (0.033522)	0.017730 (0.034503)
AIC	1763.662510	1762.277927	1752.261767	1753.745946
BIC	1880.695912	1879.311329	1874.363536	1870.508983
Num. obs.	1198	1198	1197	1184

*** $p < 0.001$, ** $p < 0.01$, * $p < 0.05$

B.4 Text Analysis by Treatment

Figure B5 reports the terms used by respondents in each of our treatments to justify their stated preference. There are no obvious differences across our treatment conditions in the terms used. "Fair share" is used frequently in all treatments, although it is used particularly often in the fairness and POUM treatments and relatively less in the USI and Trickle-Down treatments. "Economic growth" is used only in the Trickle-Down treatment, suggesting that subjects understood the argument being made with the information provided in that treatment.

Figure B5: Wordcloud of Terms Most Frequently Used to Justify Stated Preference by Treatment

Note: From top left to bottom right, the word clouds include terms which are used at least 10 times by respondents in the USI, Trickle-Down, Fairness, POUM and Placebo treatments. The size of the term reflects the frequency with which it is used.

Part C: Additional Results

C.1 Subgroup Effects

We perform a range of subgroup analyses. First, our USI treatment differs across individuals based on their respective income level. Hence, we need to check whether the treatment effect varies by income level, too. In order to do so, we run interaction effects between the unenlightened self-interest treatment and a person's monthly household income level. Table C1 shows the results. Across models, the interaction effects is statistically insignificant. Plotting average marginal effects and checking whether treatment varies across subgroups shows that the USI treatment remains insignificant for different income groups (Figure 10). In addition, Figure C2 shows the average marginal effect of the USI treatment when looking at preferences for top tax rate hikes. Whilst the coefficient of the interaction effect is negative, the impact of the USI treatment remains insignificant across all income groups.

Table C1: Interaction Effects for Unenlightened Self-Interest

	Support Tax Cuts		Support Tax Hikes	
	Model 1	Model 2	Model 3	Model 4
Unenlightened Self-Interest	-1.103299 (4.359928)	-1.436198 (4.384186)	2.694919 (5.062086)	3.713157 (4.541180)
Income	-0.000005 (0.000033)	-0.000043 (0.000038)	0.000005 (0.000038)	0.000027 (0.000039)
Unenlightened Self-Interest * Income	-0.000006 (0.000043)	-0.000003 (0.000043)	-0.000058 (0.000049)	-0.000069 (0.000044)
Covariates	✗	✓	✗	✓
AIC	10537.210423	10292.456474	11080.101505	10698.550066
BIC	10561.848212	10420.032099	11104.836385	10826.869698
Num. obs.	1020	999	1040	1028

In addition to running interaction effects in order to detect subgroup effects along

income levels, we split the sample into people with income below and above the median US household income (roughly \$70,000). The effect of the unenlightened self-interest treatment on tax preferences remains statistically insignificant for both subgroups (Figures C2 & C3). When looking at the impact of the unenlightened self-interest treatment on core beliefs in the two subgroups, we find no effect on the perception of recent or future personal benefits. However, for people with a household income above \$70,000, we do find that the unenlightened self-interest treatment has a negative effect on perceptions of being generally affected by cutting the top tax rate (Figures C4 & C5).

Figure C1: Treatment Effects of Unenlightened Self-Interest on Support for Tax Increases Conditional on Household Income

Note: The figure shows the marginal effect of the unenlightened self-interest information treatment. Respondents who received the river information placebo form the reference category.

Figure C2: Treatment Effects on Support for Tax Cut and Tax Increase, Income Below or Equal \$70,000

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

Figure C3: Treatment Effects on Support for Tax Cut and Tax Increase, Income Above \$70,000

Note: The Figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

Figure C4: Treatment Effects on Core Beliefs, Income Below or Equal \$70,000

Note: The figure shows the effect of the different treatments on core beliefs. All values have been standardised to a 0 to 100 scale.

Figure C5: Treatment Effects on Core Beliefs, Income Above \$70,000

Note: The figure shows the effect of the different treatments on core beliefs. All values have been standardised to a 0 to 100 scale.

We also check for subgroup effects along party lines. More specifically, we look at treatment effects amongst Republicans and Democrats. Importantly, this reduces our sample and, hence, explanatory power substantially. Therefore, results are more likely to turn out statistically insignificant. Nevertheless, we can see some interesting patterns. First, the USI treatment does neither impact Republicans nor Democrats tax policy preferences (Table C6). The Fairness treatment has negative coefficients for tax cuts and positive coefficients for tax increases for Democrats and Republicans alike. However, only the models looking at tax cut preferences amongst Democrats and tax hike preferences amongst Republicans are statistically significant. Whilst the POUM treatment coefficients are negative for tax cuts and positive for tax hikes, they are statistically insignificant across models. Finally, the Trickle-Down treatment seems to have a particularly strong effect on Republicans. Most strikingly, support for tax hikes increases by 15 percentage points amongst Republicans.

Figure C6: Treatment Effects on Support for Tax Cut and Tax Increase for Democrats and Republicans

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate for Democrats and Republicans

Figure C7: Treatment Effects on Core Beliefs By Party Affiliation

Note: The figure shows the effect of the different treatments on core beliefs. All values have been standardised to a 0 to 100 scale.

C.2 Different Dependent Variable

In the main models, we look at a binary variable that looks at support for tax cuts/hikes. However, we check our results by using a dependent variable which is measured on a 3-point scale (3=Support, 2=Neither Support Nor Oppose, 1=Oppose). Figure C8 presents the results. Across specifications, results are almost identical to the original models.

Figure C8: Treatment Effects on Support for Tax Cut and Tax Increase, 3-Point Scale Dependent Variable

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate. Dependent variable is measured on a 3-point scale (3=Support, 2=Neither Support Nor Oppose, 1=Oppose) and values have been standardised to a 0 to 100 scale.

C.3 Analyses With Weightings

Since some of our subgroups could not be filled completely as too few participants with the specified attributes, in particular older age groups, are signed up on Prolific, we run additional analyses where we weight participants accordingly. Figure C9 shows the results. Again, the USI treatment does not affect tax policy preferences across models. Our main results regarding the impact of the fairness treatment and the trickle-Down treatment on preferences for tax cuts hold. Interestingly, both treatments narrowly fail to reach conventional levels of statistical significance when looking at preferences for tax cuts when performing a weighting procedure. One potential explanation for this finding is that our weighting procedure assigns older people, who might have a higher preference for the status quo, are assigned considerably higher weights.

Figure C9: Treatment Effects on Support for Tax Cut and Tax Increase, Weighted Regression Analyses

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate. Observations have been weighted to ensure representativeness.

C.4 Analyses With Varying Samples

In addition to our main analysis which includes all full observations, we run additional robustness checks with varying samples. First, we exclude individuals who stated that they did not find the information provided believable (Figure C10). Results prove to be robust. Unsurprisingly, effect sizes of the fairness treatment and of the trickle-Down treatment even increase slightly when solely looking at individuals who state that they believe the provided information.

Figure C10: Treatment Effects on Support for Tax Cut and Tax Increase, Excluded Individuals That Did Not Find the Information Provided Believable

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

Second, we exclude individuals who either completed the survey in less than 200 seconds or who looked at the treatment for less than 15 seconds (Figure C11). Overall, this covers roughly 9% of respondents. Overall, our results remain robust to excluding lower quality answers. Again, treatment effects for the fairness and the trickle-Down treatment tend to be slightly higher. Furthermore, the effect of the POUM treatment turns borderline statistically significant for the models that look at support for tax cuts.

Third, we exclude all individuals who report inconsistent preferences for tax policy-

Figure C11: Treatment Effects on Support for Tax Cut and Tax Increase, Low-Quality Responses Excluded

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

making by supporting both tax cuts and increases (Figure C12). Again, our results remain robust.

Figure C12: Treatment Effects on Support for Tax Cut and Tax Increase, Excluding Individuals Who State Support For Both Tax Cuts and Increases

Note: The figure shows the effect of the different treatments on support for cutting/raising the top federal income tax rate.

C.5 Additional Analyses of Robustness Check Experiment

To further probe our reference point explanation for the strong trickle-down treatment effect reported in the main text, we also analyse differences between treatments for question R1. This question states that the current top federal income tax rate is 37% and asks respondents what they think would be an appropriate rate for the top federal income tax rate. If the trickle-down treatment indeed provided a reference point for respondents by informing about the tax rate having halved over the past 40 years, then we would expect respondents in this treatment to state a higher appropriate tax rate than respondents in the placebo group. To avoid creating additional reference points for respondents when asking this question, we did not provide possible answer options but instead respondents were asked to fill out a free text entry box.

Figure C13 shows the results. In line with the reference point explanation, we find that respondents in the trickle-down treatment state a significantly higher appropriate rate for the top federal income tax rate than the placebo group. On average, the preferred top income tax rate was around 3.7 percentage points higher for respondents who received the trickle-down treatment.

Figure C13: Treatment Effect of Trickle-Down Treatment on Preferred Top Federal Income Tax Rate

Note: The figure shows the effect of the trickle-down treatment on the preferred top federal income tax rate.

Part D: Description of Variables

Support for Tax Cuts I. Ordinal variable capturing respondents' answer to the question "Do you support a reduction in the top federal income tax rate?"

- 1: Very unsupportive
- 2: Unsupportive
- 3: Neither supportive nor unsupportive
- 4: Supportive
- 5: Very supportive

Support for Tax Cuts II. Recoded variable capturing respondents' answer to the question "Do you support a reduction in the top federal income tax rate?". We recode this variable so that respondents who were "Supportive" and "Very supportive" get the value 3, respondents who are "Neither supportive nor unsupportive" get the value 2, and respondents who are "Unsupportive" or "Very supportive" get the value 1

- 1: No Support
- 2: Neither supportive nor unsupportive
- 3: Support

Support for Tax Cuts III. Binary variable capturing respondents' answer to the question "Do you support a reduction in the top federal income tax rate?". We recode this variable so that respondents who were "Supportive" and "Very supportive" get the value 1 and all other responses get the value 0.

- 0: No Support
- 1: Support

Support for Tax Increases I. Ordinal variable capturing respondents' answer to the question "Do you support an increase in the top federal income tax rate?"

- 1: Very unsupportive

- 2: Unsupportive
- 3: Neither supportive nor unsupportive
- 4: Supportive
- 5: Very supportive

Support for Tax Increases II. Recoded variable capturing respondents' answer to the question "Do you support an increase in the top federal income tax rate?". We re-code this variable so that respondents who were "Supportive" and "Very supportive" get the value 3, respondents who are "Neither supportive nor unsupportive" get the value 2, and respondents who are "Unsupportive" or "Very supportive" get the value 1

- 1: No Support
- 2: Neither supportive nor unsupportive
- 3: Support

Support for Tax Increases III. Binary variable capturing respondents' answer to the question "Do you support an increase in the top federal income tax rate?". We re-code this variable so that respondents who were "Supportive" and "Very supportive" get the value 1 and all other responses get the value 0.

- 0: No Support
- 1: Support

Treatment. Categorical variable capturing the treatment respondent i is assigned to.

- 1: Unenlightened Self-Interest
- 2: Fairness
- 3: Prospects of Upward Mobility
- 4: Trickle-Down

5: Placebo

Household Income. Metric variable measuring a person's household income. Recoded from a categorical variable taking each household income category's mean value.

Covering answers ranging from \$5000 to \$425000

Age. Metric Variable measuring a person's age in years.

Children. Binary variable measuring whether an individual has any children.

0: No children

1: At least one child

Education. Binary variable measuring whether an individual has received any college education.

0: No college education

1: College education

Gender. Categorical variable capturing a person's gender.

Female

Male

Other

Social Class. Ordinal variable capturing a person's self-assessed social class.

1: Lower class or poor

2: Working class

3: Middle class

4: Upper-middle class

5: Upper class

Economic Knowledge. Ordinal variable capturing a person's self-assessed economic knowledge.

- 1: Not knowledgeable at all
- 2: Not very knowledgeable
- 3: Somewhat knowledgeable
- 4: Highly knowledgeable

Neighbourhood. Categorical variable capturing a person's neighbourhood.

Urban

Suburban

Rural

Party Affiliation. Categorical variable capturing a person's answer to the question "Which party do you feel closest to?"

Democratic Party

Republican Party

Other

Don't know

Employment Status. Categorical variable capturing a person's current employment status.

Full-time employee

Part-time employee

Self-employed or small business owner

Medium or large business owner

Unemployed and looking for work

Student

Not currently working and not looking for work (e.g. full-time parent)

Retiree

Affected by COVID-19. Binary variable capturing a person was negatively affected by COVID-19. People are coded as affected if they stated that they either a) lost their job, b) were temporarily suspended from their job, or c) had to reduce their working hours due to COVID-19.

0: Not affected

1: Affected

Personal Benefit. Subject i's response to the question "Do you think you would personally benefit from a reduction in the top federal income tax rate?" ranging from 0 to 100 with 0 indicating no perceived personal benefit and 100 indicating a lot of perceived personal benefit from a reduction of the top federal income tax rate.

Personal Benefit Future. Subject i's response to the question "Do you think you would personally benefit from a reduction in the top federal income tax rate at some point in the future?" ranging from 0 to 100 with 0 indicating no perceived personal benefit in the future and 100 indicating a lot of perceived personal benefit in the future from a reduction of the top federal income tax rate.

Personally Affected. Subject i's response to the question "Do you think you are personally affected by the consequences of a reduction in the top federal income tax rate?" ranging from 0 to 100 with 0 indicating that the subject does not believe themselves to be affected and 100 indicating that they believe themselves to be very much affected from a reduction of the top federal income tax rate.

Macroeconomic Benefit. Subject i's response to the question "Do you think there are benefits for the economy (e.g. jobs created / higher growth) from a reduction in the top federal income tax rate?" ranging from 0 to 100 with 0 indicating no belief in

potential benefits and 100 indicating a belief in a lot of benefits for the economy from a reduction of the top federal income tax rate.

Deserving. Subject *i*'s response to the question "Do you think households in the top federal income tax bracket deserve a lower tax rate?" ranging from 0 to 100 with 0 indicating no belief that these households deserve a tax cut and 100 indicating a definite belief that households in the top federal income tax bracket deserve a lower tax rate.

Hard Work. Subject *i*'s response to the question "What has more to do with why a person is in the top federal income tax bracket? Because they have worked harder than others or because they have had more advantages than others?" ranging from 0 to 100 with 0 indicating a belief in harder work and 100 indicating a belief in more advantages.

Top Pit Rate Decreased. Binary variable capturing whether subject *i* believes that the top federal income tax rate in the U.S. has decreased over the past 40 years. We re-coded K3 with responses "It has decreased by a lot" and "It has decreased somewhat" being coded as 1 and all other responses being coded as 0.

0: Top Pit rate decreased

1: Top Pit rate did not decrease

Elicited Tax Cut Support. Binary variable equal to 1 if respondent *i* clicked on the link provided at the end of the survey to join the mailing list of the organisation "Americans for Tax Reform" which campaigns for a reduction of the top federal income tax rate. The variable is equal to 0 otherwise.

0: No Support

1: Support

Elicited Tax Increase Support. Binary variable equal to 1 if respondent i clicked on the link provided at the end of the survey to join the mailing list of the organisation "Americans for Tax Fairness" which campaigns for an increase in the top federal income tax rate. The variable is equal to 0 otherwise.

0: No Support

1: Support

Part E: Survey Instrument

E.1 Survey Instrument for Main Experiment

Introduction

Thank you for participating in this study. In the following, you will be asked a series of questions about your policy preferences and beliefs about society. Your answers will be used solely for academic research. The study is being carried out by non-partisan academic researchers seeking to advance our knowledge of society. It is important for the research that you answer as accurately as you can, so please read the questions carefully.

Part I: Demographics

D1: Age. How old are you?

D2: Gender. What is your gender?

- Female
- Male
- Other
- Prefer not to say

D3: Marital Status. What is your marital status?

- Single
- Married
- Legally separated or divorced
- Widowed

D4: Children. How many children do you have?

- I do not have children
- 1
- 2
- 3
- 4
- 5 or more

D5: Ethnicity. To which of these groups do you consider you belong? You can choose more than one group.

- American Indian or Alaska Native
- Asian
- Black or African-American
- Native Hawaiian or other Pacific Islander
- Spanish, Hispanic or Latino
- White
- Other group
- Prefer not to answer

D6: Education. Which category best describes your highest level of education?

- Primary education or less
- Some high school
- High school degree/GED
- Some college
- 2-year college degree

- 4-year college degree
- Master's degree
- Doctoral degree
- Professional degree (JD, MD, MBA)
- Prefer not to answer

D7: Household Income. What is your total (annual) household income before tax?

- Under \$10,000
- \$10,000 - \$20,000
- \$20,001 - \$30,000
- \$30,001 - \$40,000
- \$40,001 - \$50,000
- \$50,001 - \$60,000
- \$60,001 - \$80,000
- \$80,001 - \$100,000
- \$100,001 - \$150,000
- \$150,001 - \$200,000
- \$200,001 - \$350,000
- \$350,001 - \$500,000
- Above \$500,000
- Don't know
- Prefer not to answer

D8: Employment Status. What is your current employment status?

- Full-time employee
- Part-time employee
- Self-employed or small business owner
- Medium or large business owner
- Unemployed and looking for work
- Student
- Not currently working and not looking for work (e.g. full-time parent)
- Retiree
- Prefer not to answer

D9: Occupation. Which category best describes your main occupation?

- Managers
- Professionals
- Technicians and associate professionals
- Clerical support workers
- Services and sales workers
- Skilled agricultural, forestry and fishery workers
- Craft and related trades workers
- Plant and machinery operators, and assemblers
- Elementary occupations (e.g. cleaners, labourers, refuse workers)
- Armed forces occupations

- Not currently in the labour force (e.g. retired, student, full-time parent)
- Prefer not to answer

D10: Covid-19 Employment. At any time since it began, has the COVID-19 (coronavirus) pandemic caused you to... (you can choose more than one option)

- Lose your job (e.g. be laid off by employer)
- Be temporarily suspended from your job (e.g. on unpaid leave or furlough)
- Reduce your working hours
- None of the above
- Prefer not to answer

D11: Neighbourhood. Which category best describes the neighbourhood where you live?

- Urban
- Suburban
- Rural

D12: Political Orientation. In politics people sometimes talk of left and right. Where would you place yourself on the following scale?

[Scale from 0 (Left) to 10 (Right).]

D13: Social Class. If you had to describe your social class, which one of the following five commonly-used terms would you choose?

- Lower class or poor
- Working class
- Middle class
- Upper-middle class

- Upper class
- Don't know
- Prefer not to answer

D14: Economic Knowledge. How knowledgeable do you consider yourself on economic policies and issues?

- Highly knowledgeable
- Somewhat knowledgeable
- Not very knowledgeable
- Not knowledgeable at all

D15: Party Affiliation. Which party do you feel closest to?

- Democratic party
- Republican party
- Other
- Don't know

D16: 2020 Vote. Who did you vote for in the recent 2020 Presidential Election?

- Joe Biden
- Donald Trump
- Other candidate
- Didn't vote
- Don't remember
- Prefer not to say

D17: Attention Check. Before proceeding to the next set of questions, we want to ask for your feedback about the responses you provided so far. It is vital to our study that we only include responses from people who devoted their full attention to this study. This will not affect in any way the payment you will receive for taking this survey. In your honest opinion, should we use your responses, or should we discard your responses since you did not devote your full attention to the questions so far?

- Yes, I have devoted full attention to the questions so far and I think you should use my responses for your study.
- No, I have not devoted full attention to the questions so far and I think you should not use my responses for your study.

Part II: Treatment & Control

Treatment assigned was randomised and the figure in T1 was based on the subject's response to D7. The treatment information was shown for a minimum of 8sec before subjects had the option to continue to the remainder of the study.

T1: Unenlightened Self-Interest

This figure shows the threshold for the top federal income tax rate, as well as the upper threshold of your declared annual income. The left bar shows the threshold for the top federal income tax rate. The right bar shows your household income. You are not in the top federal income tax bracket.

Source: Internal Revenue Service 2021.

TQ1: What is the threshold from which the top federal income tax rate applies?

- \$230,030
- \$523,600
- \$360,002
- \$460,050
- \$150,200

T2: Prospect of Upward Mobility

This figure shows the proportion of Americans that will be in the top 1% of income earners at some point in their life. The left bar shows that around 1 in 50 people are in the top 1% of income earners for 5 years or more during their lifetime. The right bar shows that 49 in 50 people are not in the top 1% for 5 years or more during their lifetime.

Source: Internal Revenue Service 2015, Hirschl and Rank 2015.

TQ2: What proportion of Americans will be in the top 1% of income earners for five years or more during their lifetime?

- 9.8%
- 2.2%
- 4.4%

- 50%
- 5.5%

T3: Trickle-Down

The last four decades have seen a significant fall in taxes on the rich: the top rate of federal income tax has almost halved since 1979. This figure shows that economic growth was higher in the period before taxes on the rich were reduced.

Source: US Bureau of Economic Analysis 2021, Tax Policy Center 2020.

TQ3: What was the average annual real GDP growth rate in the United States from 1947 – 1979?

- 2.5%
- 2.9%
- 3.7%
- 4.2%
- 3.6%

T4: Fairness

122 of the billionaires on the Forbes 400 list of the richest people in America inherited their fortunes. This figure shows that the amount of wealth held by these 122 billionaires is similar to the amount of wealth held by the bottom 50% of US households (a total of 62 million households) in 2015.

Source: Forbes 400 2020, Federal Reserve DFA 2021.

TQ4: How much wealth was held by the bottom 50% of the US population in 2015?

- \$933bn
- \$830bn
- \$884bn
- \$767bn
- \$995bn

T5: Control (Rivers)

This figure shows the two longest rivers in the US by main stem. The left bar shows that the Missouri River is the longest river in the US with a length of 2,341 miles. The right bar shows that the Mississippi River is the second longest river with a length of 2,202 miles.

Source: Benke & Cushing 2005.

TQ5: Which river is the longest river in the US?

- Arkansas River
- Mississippi River
- Rio Grande
- Missouri River
- Yukon River

Part III: Post-treatment preferences and beliefs

Q1: Do you support a reduction in the top federal income tax rate?

- Very supportive
- Supportive
- Neither supportive nor unsupportive
- Unsupportive
- Very unsupportive
- Don't know

Q2: What is your rationale for the preference you just expressed in the previous question?

Q3: Do you think you would personally benefit from a reduction in the top federal income tax rate?

[Scale from 0 (Not at all) to 10 (Benefit a lot).]

Q4: Do you think you would personally benefit from a reduction in the top federal income tax rate at some point in the future?

[Scale from 0 (Not at all) to 10 (Benefit a lot).]

Q5: Do you think there are benefits for the economy (e.g. jobs created / higher growth) from a reduction in the top federal income tax rate?

[Scale from 0 (None at all) to 10 (A lot of benefits for the economy).]

Q6: Do you think households in the top federal income tax bracket deserve a lower tax rate?

[Scale from 0 (Not at all) to 10 (Definitely).]

Q7: Do you think you are personally affected by the consequences of a reduction in the top federal income tax rate?

[Scale from 0 (Not at all) to 10 (Very much affected).]

Q8: What has more to do with why a person is in the top federal income tax bracket? Because they have worked harder than others or because they have had more advantages than others?

[Scale from 0 (Worked harder) to 10 (More advantages).]

Q9: To what extent do you think it is acceptable for people to be in the top federal income tax bracket as a result of having more advantages than others?

[Scale from 0 (Not acceptable at all) to 10 (Completely acceptable).]

Q10: How much of the time do you think you can trust the government to do what is right?

[Scale from 0 (Almost never) to 10 (Almost always).]

Q11: Do you support an increase in the top federal income tax rate?

- Very supportive
- Supportive
- Neither supportive nor unsupportive
- Unsupportive
- Very unsupportive
- Don't know

Part IV: Knowledge of top federal income taxes and top income shares

K1: Out of 100 households in the U.S., how many are in the top federal income tax bracket?

[]

K2: What is the top federal income tax rate in the U.S.?

[]

K3: How has the top federal income tax rate in the U.S. evolved over the past 40 years?

- It has increased by a lot
- It has increased somewhat
- It has remained the same
- It has decreased somewhat
- It has decreased by a lot

K4: What share of national income do you think goes to the top 1% of income earners?

[]

K5: How has the share of national income going to the top 1% of income earners evolved over the past 40 years?

- It has increased by a lot
- It has increased somewhat
- It has remained the same
- It has decreased somewhat
- It has decreased by a lot

Part V: Preference elicitation

Links were presented in randomised order.

Tax Cuts

Americans for Tax Reform is a non-profit organisation campaigning for a reduction in the top federal income tax rate.

You can join their mailing list [here](#).

Tax Increases

Americans for Tax Fairness is a non-profit organisation campaigning for an increase in the top federal income tax rate.

You can join their mailing list [here](#).

Part VI: Survey Feedback

C1: Do you feel that this survey was biased?

- Yes, left-wing bias
- Yes, right-wing bias
- No, it did not feel biased

C2: Did you find the information we provided you with during the survey believable?

- Yes
- No
- Don't know

C3: Do you have any feedback or impressions regarding this survey?

[]

E.2 Unconditional USI Treatment

This figure shows the threshold for the top federal income tax rate, as well as the average annual household income. The left bar shows the threshold for the top federal income tax rate. The right bar shows the average household income. Like the average household, you are not in the top federal income tax bracket.

Source: Internal Revenue Service 2021, United States Census Bureau 2021.

TQ1: What is the threshold from which the top federal income tax rate applies?

- \$230,030
- \$523,600
- \$360,002
- \$460,050
- \$150,200

E.3 Additional Questions included in Robustness Check Experiment

R1: The current top federal income tax rate in the U.S. is 37%. What do you think would be an appropriate rate for the top federal income tax rate?

[]

R2: How has the top federal income tax rate in the U.S. evolved over the past 40 years compared to the federal income tax rate for the average household?

- It has increased by a lot more
- It has increased somewhat more
- It has evolved the same
- It has decreased somewhat more
- It has decreased by a lot more

R3: How much do you agree with the following statement: "Because the top federal income tax rate is lower now than it was 40 years ago, it should be increased."

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

R4: How much do you agree with the following statement: "Because households in the top federal income tax bracket have received tax cuts over the past 40 years, they don't deserve another tax cut."

- Strongly agree
- Somewhat agree

- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree