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“Monmouth University/Gannett NJ Poll”

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NEW JERSEYANS TELL LEADERS: GET MOVING ON PROPERTY TAXES

Residents not convinced that either candidate’s plan will work

Big news story – New Jerseyans hate their property taxes. Nearly two-thirds of residents believe that high property taxes are driven in large part by waste and bloated payrolls, but most think it would be difficult to make a substantial dent in property taxes without cutting services. Moreover, 83 percent of New Jerseyans do not believe that the state’s politicians are serious about tackling this issue.

The latest *Monmouth University/Gannett New Jersey Poll* also asked Garden State residents to evaluate the property tax proposals put forth by the two main contenders for governor. The problem is very few people have heard of either candidate’s plan. Only 1-in-4 residents say they have heard of Doug Forrester’s plan (25%) and a similar number are aware of Jon Corzine’s plan (23%). More than 6-in-10 (63%) have heard of neither.

When residents hear a short description of the two candidates’ proposals, more think they would obtain a greater break from the Republicans’ 30 percent tax credit (44%) than from the Democrat’s increases to the current rebate system (23%). Another 1-in-4 (23%) say don’t believe they would get any relief from either plan.

Among those who have prior knowledge of both candidate’s proposals, Forrester’s is seen as more beneficial by a margin of 45 to 20 percent over Corzine’s. Homeowners select the “30-in-3” years credit over increased rebates by a 52 to 20 percent margin. Renters are split, perhaps highlighting the overall lack of public awareness about the details in either plan. Among

renters, 32 percent say they will benefit more from Corzine's plan to 27 percent for Forrester's, even though the Republican's proposal gives direct benefits only to the actual property owner.

Both candidates have stated that they can pay for their property tax plans through cost-cutting measures. Residents are not convinced that either will be able to pay for his plan without raising other taxes, although they have somewhat more confidence in Forrester's ability to do this.

Only 17 percent believe that Jon Corzine can pay for property tax relief through increased economic growth and cost savings, as the candidate claims. Another 62 percent say he will have to raise other taxes to enact his plan. By comparison, more residents – 33 percent – believe the Republican's claim that he will pay for property tax credits by eliminating fraud and wasteful spending. Still, a majority of 51 percent say he will also have to raise taxes to achieve his plan.

“As the campaign gets under way and voters start to examine the candidates more closely, property taxes will be at the forefront,” remarked Patrick Murray, director of the Monmouth University Polling Institute. “Right now, more than 4-in-5 residents think that their political leaders are more talk than action when it comes to property tax relief. These two candidates have to convince the voters they are serious about easing the property tax burden and that they can do it without raising other taxes.”

When New Jerseyans are asked which of four taxes – federal income, state income, state sales, or local property tax – is the most unfair, it is no contest. Fully 6-in-10 residents (61%) – including 68 percent of homeowners – tag the property tax for this dubious honor.

The poll found that half of residents (50%) would like to see a property tax system that incorporates ability to pay as well as home value in determining their tax rate. Another 34 percent oppose this idea and 16 percent have no opinion. On the other hand, New Jerseyans do not support a property tax plan that would lead to increases in the state income tax – 48 percent nix this idea compared to 35 percent who are willing to take a hit on income taxes if it means they will see a significant drop in their property tax bill. Another 16 percent are undecided on this.

Many residents realize that their school district is the largest factor in the amount they pay in property taxes. Just over half (51%) say local schools are most responsible for this, but a

good number feel that other levels of government play a bigger role. This includes state government (19%), municipal government (14%) and county government (9%).

Most residents (52%) feel that it would be hard to significantly lower property taxes without cutting services. However, another 35 percent feel that some serious belt-tightening on the part of local authorities could do the trick.

While many New Jerseyans believe that it would be hard to lower property taxes without losing services, most think that waste and fraud (64%) and the number of administrators on local payrolls (65%) contribute a lot to the Garden State's higher property tax. Less than half of residents (44%) say that the high salaries paid to public employees contribute a lot to the higher property tax burden.

Fewer residents – 36 percent – across New Jersey believe that growth in their towns and the services required by new development is a major contributor to higher taxes. Among those who live in rapidly growing towns in the state, the number who tab growth as a key culprit in their increasing property tax bill is slightly higher at 41 percent.

This recent *Monmouth University/Gannett New Jersey Poll* was conducted by telephone with 800 New Jersey adults from September 21 to 26, 2005. This sample has a margin of error of ± 3.5 percent.

TABLES – MUP01-2 / September 30, 2005

The questions referred to in this release are as follows:

(Some rows may not add to 100% due to rounding.)*

T1. Thinking about the different taxes that people pay, which tax do you think is the least fair – the federal income tax, state income tax, state sales tax, or local property tax?

	<u>Federal Income Tax</u>	<u>State Income Tax</u>	<u>State Sales Tax</u>	<u>Local Property Tax</u>	<u>(VOL) All</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	15%	6%	9%	61%	5%	4%	(800)
<u>Registered Voter</u>							
--Yes	15	6	8	63	6	3	(649)
--No	15	7	11	53	5	9	(151)
<u>Party ID</u>							
--Democrat	18	5	12	56	5	4	(256)
--Independent	18	8	5	63	4	3	(237)
--Republican	9	6	9	68	6	3	(206)
<u>Community Type</u>							
--Urban	25	6	11	47	6	6	(157)
--Stable Town/Suburb	13	8	4	66	3	5	(296)
--Growth Area	11	5	10	66	6	2	(332)
<u>Income</u>							
--<\$50,000	16	7	9	58	4	5	(284)
--\$50-100,000	16	4	8	67	4	1	(222)
-->\$100,000	13	9	10	61	6	2	(182)
<u>Home Ownership</u>							
--Own	11	6	7	68	4	3	(592)
--Rent	25	6	9	46	8	5	(183)

T2. Do you own or rent the place where you currently live?

	<u>Own</u>	<u>Rent</u>	<u>Live rent free-with family</u>	<u>(n)</u>
September 2005 New Jersey Adults	68%	29%	3%	(800)
<u>Registered Voter</u>				
--Yes	73	24	2	(649)
--No	51	42	7	(151)
<u>Party ID</u>				
--Democratic	63	35	2	(256)
--Independent	71	24	5	(237)
--Republican	75	22	3	(206)
<u>Community Type</u>				
--Urban	38	58	3	(157)
--Stable Town/Suburb	73	22	4	(296)
--Growth Area	81	16	3	(332)

[ASKED OF HOMEOWNERS ONLY:]

T3. Which of the following do you think is most responsible for the amount you pay in local property taxes—state government, county government, local government, or the public schools?

	<u>State Govt.</u>	<u>County Govt.</u>	<u>Local Govt.</u>	<u>Public Schools</u>	<u>DK</u>	<u>(n)</u>
September 2005 Homeowners only	19%	9%	14%	51%	8%	(592)
<u>Registered Voter</u>						
--Yes	18	8	14	54	6	(510)
--No	21	11	15	37	17	(82)
<u>Party ID</u>						
--Democrat	18	11	15	47	8	(175)
--Independent	21	5	18	48	8	(182)
--Republican	19	7	13	60	1	(165)
<u>Community Type</u>						
--Urban	13	11	15	44	16	(79)
--Stable Town/Suburb	20	9	14	50	7	(226)
--Growth Area	19	8	13	53	6	(278)

T4. Do you think that property taxes in your town can be significantly lowered if your town and school tightened its belt and cut costs, or do you think that it would be difficult to lower property taxes without cutting services?

	<u>Can be lowered through belt tightening</u>	<u>Difficult without cutting services</u>	<u>(VOL) Neither / Both</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	35%	52%	6%	7%	(800)
<u>Registered Voter</u>					
--Yes	34	53	6	6	(649)
--No	37	49	5	10	(151)
<u>Party ID</u>					
--Democrat	30	59	3	8	(256)
--Independent	34	57	4	5	(237)
--Republican	45	43	8	4	(206)
<u>Community Type</u>					
--Urban	32	53	4	12	(157)
--Stable Town/Suburb	36	50	4	10	(296)
--Growth Area	36	53	9	2	(332)

T5. How much do each of the following contribute to higher property taxes in the state – [READ ITEM] – a lot, a little, or not at all?

September 2005	<u>A Lot</u>	<u>A Little</u>	<u>Not at All</u>	<u>DK</u>	<u>(n)</u>
A. Waste and fraud					
New Jersey Adults	64%	24%	5%	8%	(800)
<u>Registered Voter</u>					
--Yes	66	22	6	6	(649)
--No	57	28	4	11	(151)
<u>Party ID</u>					
--Democrat	59	30	4	7	(256)
--Independent	62	26	5	7	(237)
--Republican	74	15	7	4	(206)
<u>Community Type</u>					
--Urban	61	21	9	9	(157)
--Stable Town/Suburb	66	21	6	7	(296)
--Growth Area	62	28	3	8	(332)
B. High salaries for public employees					
New Jersey Adults	44%	37%	12%	7%	(800)
<u>Registered Voter</u>					
--Yes	46	34	13	6	(649)
--No	35	44	8	12	(151)
<u>Party ID</u>					
--Democrat	41	39	11	9	(256)
--Independent	45	37	14	4	(237)
--Republican	47	33	11	9	(206)
<u>Community Type</u>					
--Urban	41	35	17	7	(157)
--Stable Town/Suburb	44	36	12	8	(296)
--Growth Area	45	39	9	7	(332)
C. Too many administrators on the payroll					
New Jersey Adults	65%	19%	7%	9%	(800)
<u>Registered Voter</u>					
--Yes	68	18	6	7	(649)
--No	54	22	9	15	(151)
<u>Party ID</u>					
--Democrat	59	21	9	11	(256)
--Independent	67	23	4	6	(237)
--Republican	67	15	8	10	(206)
<u>Community Type</u>					
--Urban	61	19	8	12	(157)
--Stable Town/Suburb	63	20	7	10	(296)
--Growth Area	67	20	6	7	(332)
D. The amount of development in your town requires government to provide more and more services					
New Jersey Adults	36%	39%	17%	7%	(800)
<u>Registered Voter</u>					
--Yes	36	39	18	7	(649)
--No	36	39	16	9	(151)
<u>Party ID</u>					
--Democrat	42	35	15	9	(256)
--Independent	32	41	23	4	(237)
--Republican	39	38	17	6	(206)
<u>Community Type</u>					
--Urban	33	39	19	9	(157)
--Stable Town/Suburb	34	39	21	6	(296)
--Growth Area	41	38	14	8	(332)

T6. State legislators and the candidates for governor have made a number of proposals to reduce property taxes in New Jersey. Do you think the state’s politicians are serious about tackling this issue or do you think that these proposals are more talk than action?

	<u>Serious</u>	<u>More talk than action</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	12%	83%	4%	(800)
<u>Registered Voter</u>				
--Yes	13	83	5	(649)
--No	11	85	4	(151)
<u>Party ID</u>				
--Democrat	14	81	5	(256)
--Independent	10	88	3	(237)
--Republican	14	80	6	(206)
<u>Community Type</u>				
--Urban	9	84	7	(157)
--Stable Town/Suburb	15	80	5	(296)
--Growth Area	12	85	3	(332)

T7. Have you heard of any proposals to reduce property taxes from either of the two major party candidates for governor? [IF “YES” ASK: Which – Forrester’s, Corzine’s or both?]

	<u>Yes, Forrester</u>	<u>Yes, Corzine</u>	<u>Yes, Both</u>	<u>No, Neither</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	8%	6%	17%	63%	5%	(800)
<u>Registered Voter</u>						
--Yes	10	6	19	61	5	(649)
--No	4	8	13	68	6	(151)
<u>Party ID</u>						
--Democrat	5	10	14	68	4	(256)
--Independent	7	6	22	60	5	(237)
--Republican	17	2	18	59	5	(206)
<u>Community Type</u>						
--Urban	9	7	15	65	4	(157)
--Stable Town/Suburb	7	6	15	63	8	(296)
--Growth Area	9	5	20	62	4	(332)
<u>Home Ownership</u>						
--Own	11	6	21	58	5	(592)
--Rent	3	9	8	74	7	(183)

T8. Doug Forrester proposes giving homeowners a straight 30 percent credit on their property tax bills, whereas Jon Corzine proposes increasing the amount people receive under the current rebate system based on their income. Based on what you know or have heard, whose proposal do you think you would benefit more from – Forrester’s, Corzine’s, or neither one?

	<u>Forrester</u>	<u>Corzine</u>	<u>Neither</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	44%	23%	23%	9%	(800)
<u>Registered Voter</u>					
--Yes	47	25	19	8	(649)
--No	34	19	36	11	(151)
<u>Party ID</u>					
--Democrat	33	33	24	10	(256)
--Independent	44	24	25	8	(237)
--Republican	68	12	13	6	(206)
<u>Community Type</u>					
--Urban	33	25	28	14	(157)
--Stable Town/Suburb	47	25	21	8	(296)
--Growth Area	49	21	23	7	(332)
<u>Home Ownership</u>					
--Own	52	20	22	6	(592)
--Rent	27	32	26	16	(183)
<u>Income</u>					
--<\$50,000	32	28	28	11	(284)
--\$50-100,000	47	25	21	7	(222)
-->\$100,000	68	13	16	3	(182)
<u>Have heard of both plans</u>	45	20	28	7	(144)

T9. If Forrester is elected governor, do you think he will be able to pay for his plan by cutting fraud and wasteful spending in government or would he need to raise other state taxes such as income tax to pay for his plan? [*QUESTION ASKED OF HALF THE SAMPLE*]

T10. If Corzine is elected governor, do you think that he will be able to pay for his plan through increased economic growth and cost savings or would he need to raise other state taxes such as income taxes to pay for his plan? [*QUESTION ASKED OF HALF THE SAMPLE*]

	FORRESTER’S PLAN:				CORZINE’S PLAN:			
	<u>Able to pay by cutting fraud and waste</u>	<u>Would need to raise other taxes</u>	<u>DK</u>	<u>(n)</u>	<u>Able to pay through growth and savings</u>	<u>Would Need to raise other taxes</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	33%	51%	16%	(396)	17%	62%	21%	(404)
<u>Registered Voter</u>								
--Yes	35	50	15	(318)	19	60	21	(331)
--No	28	55	17	(78)	12	68	20	(73)
<u>Party ID</u>								
--Democrat	20	64	16	(131)	31	51	19	(125)
--Independent	40	44	16	(119)	14	70	15	(118)
--Republican	46	42	12	(105)	12	65	23	(101)
<u>Heard of candidate’s plan</u>	39	51	11	(116)	20	65	15	(94)

T11A. Would you support or oppose a plan to significantly cut property taxes in New Jersey if it meant that the state income tax would need to be raised? [*QUESTION ASKED OF HALF THE SAMPLE*]

	<u>Support</u>	<u>Oppose</u>	<u>(VOL) Depends</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	35%	48%	8%	8%	(396)
<u>Registered Voter</u>					
--Yes	32	51	10	7	(318)
--No	42	43	5	11	(78)
<u>Party ID</u>					
--Democrat	41	45	5	9	(131)
--Independent	31	46	15	8	(119)
--Republican	32	56	7	5	(105)

T11B. Would you support or oppose a property tax system that is based on a homeowner's income and ability to pay as well as on the assessed value of their home? [*QUESTION ASKED OF HALF THE SAMPLE*]

	<u>Support</u>	<u>Oppose</u>	<u>(VOL) Depends</u>	<u>DK</u>	<u>(n)</u>
September 2005 New Jersey Adults	50%	34%	3%	13%	(404)
<u>Registered Voter</u>					
--Yes	47	36	4	13	(331)
--No	60	25	2	13	(73)
<u>Party ID</u>					
--Democrat	48	36	3	13	(125)
--Independent	56	33	4	7	(118)
--Republican	48	35	2	14	(101)

Community Type
 For this poll, New Jersey municipalities have been grouped into the following categories based on population size and density:
Urban – Any municipality with a population of 25,000 or more and a population density over 4,000 people per square mile or a population density over 10,000 people per square mile.
Stable Towns/Suburb – Any non-urban or non-rural municipality that had less than 10% population growth from 1990 to 2000. Also some older established towns in Bergen, Camden, Essex, Gloucester, Monmouth, Morris, Passaic, Somerset, and Union counties are grouped here.
Growth Area – Any municipality that experienced 10% or greater growth from 1990 to 2000 as well as remaining rural areas of the state.

Results for this *Monmouth University/Gannett NJ Poll* are based on telephone interviews conducted September 21-26, 2005 with a statewide random sample of 800 adults, age 18 and older. For results based on the total sample, one can say with 95% confidence that the error attributable to sampling has a maximum margin of plus or minus 3.5 percentage points. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported by gender or party identification, are subject to more error than are statements based on the total sample. In addition to sampling error, one should bear in mind that question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of opinion polls.

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