Is the Partisan Divide Real?
Polarization in Preferences for Redistribution[†]

By Brad Nathan, Ricardo Perez-Truglia, and Alejandro Zentner*

There is a widespread belief that Republicans and Democrats are worlds apart with respect to their preferences for redistribution (Ahler 2014). However, is that partisan divide real? In this paper, we provide evidence from survey and administrative data and conclude that the partisan divide is more nuanced than previously thought.

I. Preferences for Redistribution

We begin with data from the General Social Survey (Smith et al. 2018). First, we examine a measure that is perhaps the most widely used in the literature on preferences for redistribution (Cruces, Perez-Truglia, and Tetaz 2013). This measure assesses responses to the following statement:

> Some people think that the government in Washington ought to reduce the income differences between the rich and the poor, perhaps by raising the taxes of wealthy families or by giving income assistance to the poor. Others think that the government should not concern itself with reducing this income difference between the rich and the poor.

The question asks respondents to rate their agreement using a score from 1 ("should not") to 7 ("should") that best represents their own views.

Figure 1 presents the results, broken down by the political party of the respondents. Around 32 percent of respondents self-identify as
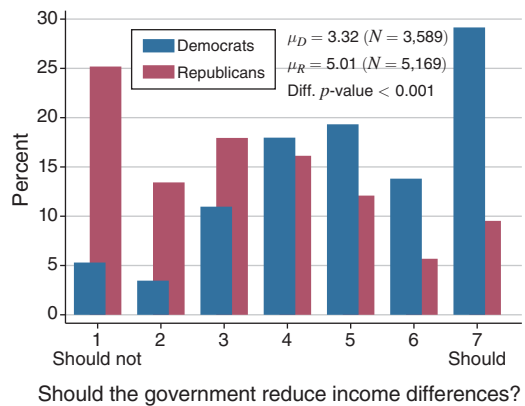

Figure 1. Preferences for Redistribution

Notes: Responses from the 2006–2018 waves of the General Social Survey (Smith et al. 2018). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the *p*-value of the mean difference test.

Republican and 46 percent as Democrat (the remaining 22 percent did not respond to the question or identified as independent). Figure 1 also reports the mean values for Republicans and for Democrats as well as the *p*-value for the difference in means. The partisan difference is large in magnitude (3.32 for Republicans versus 5.01 for Democrats) and statistically significant (p-value < 0.001). Perhaps the most striking evidence of polarization is that in the 1–7 scale, the modal response among Republicans is 1, and the modal response among Democrats is 7.

II. Tax Appeals

Survey data has some well-known limitations, such as social desirability bias. For example, some individuals may *say* that they are willing to pay more in taxes but would *choose* otherwise when facing real stakes. Thus, to address this limitation and complement the survey data, we discuss revealed preference evidence based

* Nathan: University of Texas at Dallas (email: brad.nathan@utdallas.edu); Perez-Truglia: University of California, Berkeley (email: ricardotruglia@berkeley.edu); Zentner: University of Texas at Dallas (email: azentner@utdallas.edu).
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on tax appeals. In the United States and other countries, homeowners can file an appeal to legally reduce their property taxes (Dobay et al. 2019; Reichel et al. 2019; Nathan, Perez-Truglia, and Zentner 2020).

In this paper, we focus on Dallas County, Texas, the second-largest county in the state, with an estimated population of about 2.6 million in 2020 according to the US census. Dallas County is similar to the rest of Texas and many other US states in how its tax appeals work. Also important for the analysis of partisan differences, Dallas County is diverse in terms of political preferences. For instance, in the 2012 presidential election, 57 percent voted for Barack Obama, 42 percent for Mitt Romney, and the remaining 1 percent for third-party candidates.

We provide below a brief summary of how the tax appeal process works in Dallas County (for more details, see Nathan, Perez-Truglia, and Zentner 2020). Once a year, the Dallas Central Appraisal District uses data and models to formulate a proposed assessment of the property's market value and then uses the tax rates of the jurisdictions within the county to calculate property taxes. After receiving the notification of the proposed value, homeowners wanting to appeal their property taxes have one month to file their tax appeal. For example, homeowners can protest arguing that the proposed value (and thus the corresponding tax due) are too high. Homeowners can protest on their own (online or by mail) or hire an agent to protest on their behalf. The Dallas Central Appraisal District then responds to the homeowner's appeal via an informal or formal hearing. In 2020, roughly 69.7 percent of the protests resulted in tax savings; and the average amount of tax savings was $485 in the first year alone (Nathan, Perez-Truglia, and Zentner 2020).

A household can choose to file a tax protest to legally reduce the amount of property taxes due. The decision to file a tax appeal thus may indicate a household's unwillingness to pay property taxes. If, relative to Republican households, Democratic households are more willing to pay taxes, we should observe that Democratic households are also less likely to file a tax appeal.

Figure 2 reproduces Figure 6 from Nathan, Perez-Truglia, and Zentner (2020), showing the rates at which Democratic and Republican households file tax appeals in Dallas County, Texas. There are large differences in protest
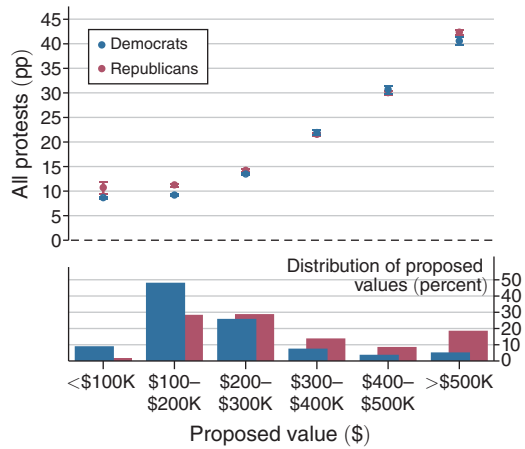

FIGURE 2. PROPERTY TAX PROTEST RATES

Notes: Reproduction of Figure 6 from Nathan, Perez-Truglia, and Zentner (2020). Republican respondents are denoted in red and Democrats in blue. The *x*-axis corresponds to the proposed value. The bottom of the figure shows the fraction of households that belong to each range of home values. The top of the figure shows the share of households who filed a protest in 2020. Data are based on 423,607 single-family homes from Dallas County, Texas.

probabilities between less and more expensive homes (for more details, see Nathan, Perez-Truglia, and Zentner 2020). It is therefore important to compare Democrat-owned houses to Republican-owned houses of similar value. For that reason, Figure 2 splits households by different brackets of home values to allow for a better comparison.

Figure 2 shows that when comparing homes of roughly similar value, the differences in protest rates between Democrats and Republicans are small. For example, for homes in the median bracket (valued between $200,000 and $300,000), the share of households that protest is 14.23 percent for Republicans versus 13.50 percent for Democrats. Additionally, Nathan, Perez-Truglia, and Zentner (2020) provide evidence that Democratic and Republican households are similar in other regards; for example, they react similarly to exogenous changes to expected tax savings.

Why are Republicans and Democrats so different according to the survey data from Figure 1, yet so similar according to their tax protest behavior? A simple explanation is based
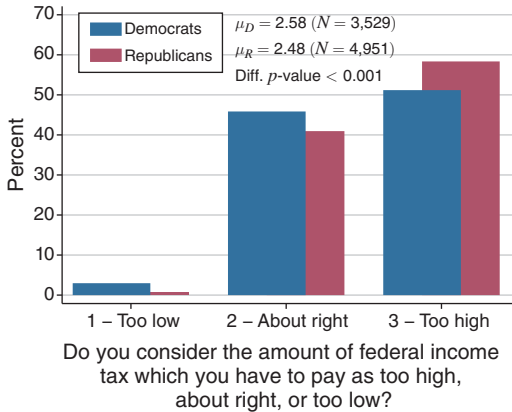
FIGURE 3. FEELINGS ABOUT INDIVIDUAL FEDERAL INCOME TAX

Notes: Responses from the 2006–2018 waves of the General Social Survey (Smith et al. 2018). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the *p*-value of the mean difference test.

FIGURE 4. FEELINGS ABOUT INDIVIDUAL PROPERTY TAX

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the *p*-value of the mean difference test.

on the aphorism that "everyone's a Republican on tax day." That is, Republicans and Democrats may *say* that they feel differently about income redistribution, but those differences disappear when facing real, high-stakes choices. We posit a different, yet still simple, explanation: partisan differences in preferences for redistribution are exaggerated by *some*, but not *all*, survey questions.

III. Survey Data on Policy Preferences

The question on preferences for redistribution from Figure 1 is widely used by researchers. However, this question may be problematic when studying partisan polarization for two reasons. First, the question is vague in that it does not ask about any specific policies. Second, the question includes wording that may be embedded with partisan cues and thus artificially polarize respondents, such as "Washington" and "the government should not concern itself."

Next, we consider a question from the General Social Survey that is not subject to the above concerns insofar as it asks about a specific tax and does not use any charged words: "Do you consider the amount of federal income tax which you have to pay as too high, about right, or too low?" Figure 3 presents the results. The share of Democrats who think federal taxes are too high
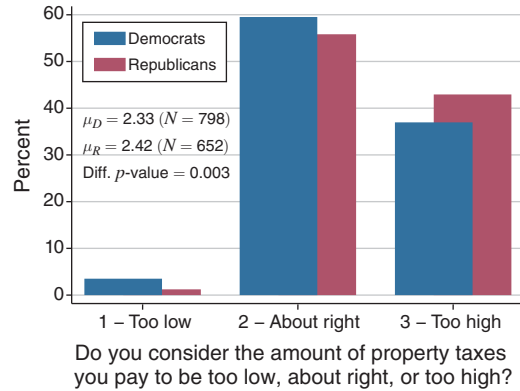
(51.2 percent) is only slightly lower than the corresponding share of Republicans (58.3 percent). The average outcome is slightly higher for Democratic households than for Republican households, and while that difference is statistically significant (*p*-value < 0.001), it is small in magnitude (2.58 versus 2.48, respectively). In other words, when asked a concrete question about the respondents' actual tax obligations, the differences between Democrats and Republicans shrink and become more consistent with the revealed preference evidence from tax protests.

IV. Tailored Survey

To better understand these partisan differences, we explore other questions not included in the General Social Survey. Specifically, we use data from an online survey conducted by Nathan, Perez-Truglia, and Zentner (2020). The respondents were recruited through Amazon Mechanical Turk from June 5 to June 15, 2020. This survey includes tailored questions related to property taxes. A total of 2,065 US individuals responded, 31.6 percent of whom self-identified as Republican and 38.6 percent as Democrat (the remaining 29.8 percent did not respond or identified as independent).

One question in the online survey is identical to the question used in Figure 3, except that it asks about property taxes instead of federal taxes: "Do you consider the amount of property
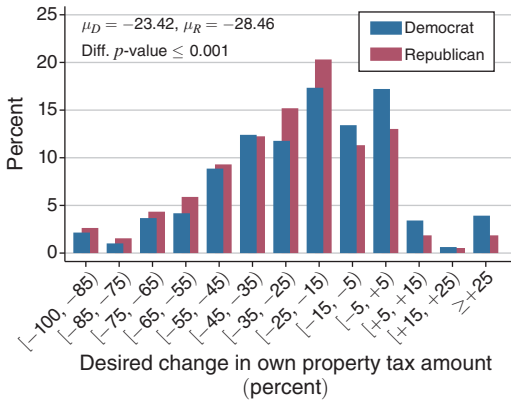
FIGURE 5. DESIRED PROPERTY TAX CHANGE

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the *p*-value of the mean difference test.

FIGURE 6. TRADE-OFF BETWEEN TAXES AND PUBLIC SERVICES

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the *p*-value of the mean difference test.

taxes you pay to be too low, about right, or too high?" The results from Figure 4 are consistent with those from Figure 3: the share of Democrats responding that property taxes are too high (36.9 percent) is not much lower than the corresponding share of Republicans (42.9 percent).

An even more direct way of measuring willingness to pay taxes is to ask respondents how they would change their own property tax amount if given the opportunity. More precisely, we included the following question:

> Imagine you could change how much YOU pay in property taxes (just you, without changing how much others have to pay). What is the dollar amount of property taxes you would consider fair for your household in 2020?

Figure 5 summarizes the responses to this question, again broken down by Democrat and Republican. A nonnegligible share of households (12.0 percent) say that they would not change their own property tax amount if given the chance. Moreover, some households (7.7 percent) would even *increase* their own property taxes. These responses must be taken with a grain of salt, however. Due to social desirability bias, households may want to signal their willingness to pay higher taxes when in reality they would not choose to do so. With that caveat in mind, Figure 5 shows that the
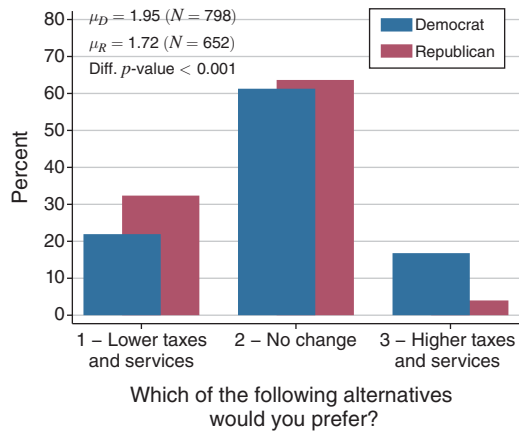
partisan differences are statistically significant (p-value < 0.001) but modest in magnitude: on average, the desired tax reduction is 28.46 percent for Republicans versus 23.42 percent for Democrats.

One potential limitation of these survey questions is that they do not make explicit the potential trade-off between tax rates and government expenditures. To address this limitation, we use the following question:

> Which of the following alternatives would you prefer? Lower property taxes (your taxes and the taxes of everyone else decrease but you get worse government services); Property taxes do not change (your taxes and the taxes of everyone else are held constant and so are government services); Higher property taxes (your taxes and the taxes of everyone else increase to provide better government services).

Figure 6 presents the results. Again, differences occur across partisan lines, but they are not nearly as extreme as the difference shown in Figure 1.

Perhaps Democrats and Republicans agree about the average tax rate but disagree about how the tax burden should be distributed between poorer and richer households. To test this hypothesis, we use a question specifically about
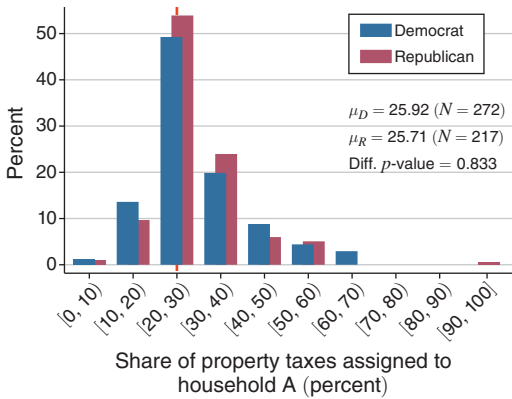
FIGURE 7. DESIRED TAX PROGRESSIVITY: SCENARIO 1

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report the average values for Democrats (μ_D) and Republicans (μ_R) and the p-value of the mean difference test.

the desired tax progressivity. We asked households to imagine that the government gave them full power to choose the property taxes that each household must pay. We then asked respondents to distribute a given tax burden between a poorer household (the home is worth $100,000) and a richer household (the home is worth $400,000). Households could choose any pair of tax rates using a sliding scale as long as they meet the budget of $10,000 between the two households.

Figure 7 presents the evidence. The *x*-axis corresponds to the share of the tax burden assigned to the poorer household (household A). Responses toward the left of the *x*-axis correspond to more progressive tax schedules. We added the vertical red line at 20 percent to denote the case of proportional taxes: at this point, the poorer household pays $2,000 in taxes (corresponding to a tax rate of 2 percent of the $100,000 home), and the richer household pays $8,000 in taxes (corresponding to a tax rate of 2 percent of the $400,000 home). Indeed, Figure 7 shows that the case of proportional taxes coincides with the modal response. Most importantly, Figure 7 shows that the partisan difference in desired progressiveness is small: on average, Democrats want to assign 25.92 percent of property taxes to the poorer household, and Republicans want to assign 25.71 percent to the poorer household. This difference is also statistically insignificant (p-value = 0.833).
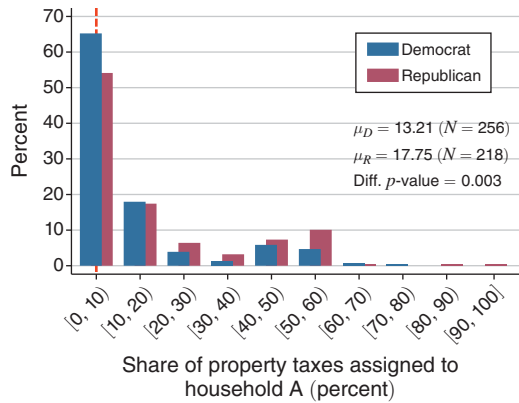

FIGURE 8. DESIRED TAX PROGRESSIVITY: SCENARIO 2

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report average values for Democrats (μ_D) and Republicans (μ_R) and the p-value of the mean difference test.

It is possible that the differences between Democrats and Republicans lie mostly in the taxation of the very wealthy. With that concern in mind, we randomly assign each respondent to one of three scenarios. Figure 7 corresponds to the first scenario, featuring a home worth $100,000 and a home worth $400,000. Figure 8 corresponds to the second scenario, where we ask respondents to choose property taxes for a home worth $100,000 (household A) and one worth $1.1 million (household B). The results indicate that as the difference in home values increases, the modal respondent still desires proportional taxes. The partisan difference in desired progressiveness is statistically significant (p-value = 0.003) but modest in magnitude: on average, Democrats want to assign 13.21 percent of property taxes to the poorer household, and Republicans want to assign 17.75 percent to the poorer household.

In the third scenario, we ask respondents to choose property taxes for a home worth $400,000 (household A) and a home worth $1.1 million (household B). As shown in Figure 9, the results are roughly similar to those for the other two scenarios presented in Figures 7 and 8. More precisely, the partisan difference in desired progressiveness is statistically significant (p-value = 0.047) but small in magnitude (27.48 percent for Democratic households versus 29.90 percent for Republican households).
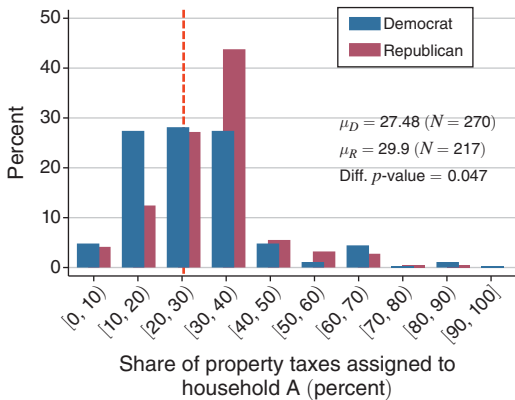
FIGURE 9. DESIRED TAX PROGRESSIVITY: SCENARIO 3

Notes: Survey responses from Nathan, Perez-Truglia, and Zentner (2020). We report average values for Democrats (μ_D) and Republicans (μ_R) and the p-value of the mean difference test.

V. Conclusions

A widely used measure of preferences for redistribution indicates a large partisan divide between Democrats and Republicans. However, these same differences are much smaller when using alternative survey questions or revealed preference evidence from tax appeals. More research is needed, but our preferred interpretation is that *some* survey questions may exaggerate the degree of partisan polarization, because either the questions are too vague or the wording provides partisan cues.

Our preferred interpretation is related to Stantcheva (2021), who shows that in the context of the effects of tax policies, the degree of partisan polarization varies widely across different survey questions. More precisely, polarization increases in responses to questions about the broad effects of tax policies (e.g., the overall effect on the economy), compared to questions about the specific effects of tax policies (e.g., effects on individual taxpayers).

Our evidence is also consistent with recent literature about the role of language in partisan polarization. Evidence indicates a wide partisan divide in the language used to discuss policies, and this divide is probably attributable to the political parties (Gentzkow, Shapiro, and Taddy 2019). Moreover, evidence from survey experiments suggests that the framing of survey questions, such as the use of charged words, can significantly affect the self-reported support for policies in a way that exaggerates the partisan divide (Palmer and Duch 2001; Schuldt, Konrath, and Schwarz 2011). Indeed, some studies suggest that survey data may exaggerate political polarization precisely because survey respondents provide insincere, or "expressive" responses, to send a partisan message (Prior, Sood, and Khanna 2015; Bullock and Lenz 2019; Yair and Huber 2020).

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