

Note: This messaging guide is based on the best available evidence but still largely untested.

Communicating Tax

A BRIEF GUIDE

Progressives are bad at talking about tax. We make it sound boring, onerous and undesirable—and we aren't making a clear argument for why we need a fair tax system that sees those with the most pay more. That needs to change.

THIS IS A PRACTICAL GUIDE FOR HOW TO TALK ABOUT TAX TO SHIFT THE NARRATIVE.

CONTENTS: **1** What We Believe **2** How The Public Think **3** Framing Principles
4 Key Message & Metaphors **5** Words That Work & Specific **6** Common Attacks **7** Reading



CONTEXT

- ★ Public services are at a breaking point, and are being starved of money in part because the Government is not collecting as much tax as they should.
- ★ There are concerted international efforts to reduce tax rates. Corporation tax, for example, is being reduced across OECD countries.
- ★ Without fair levels of tax, it is difficult to build a progressive society.
- ★ The latest British Social Attitudes survey finds that 60 per cent of Britons want both taxation and spending to increase, the highest level for 15 years.



WHAT WE BELIEVE

- 1** Our tax system **isn't fair**. It needs to change to put more emphasis on taxing the wealthy, and especially unearned wealth.
- 2** Tax is an essential part of **a well-functioning economic machine**. **It's an incredibly effective tool for alleviating poverty and inequality.**
- 3** **However**, tax isn't the only way of funding government services, other options include greater borrowing to invest, and quantitative easing.
- 4** Tax is part of how we relate to each other in a **healthy society**. We are all taxpayers and we all benefit from tax.
- 5** Tax is a **tool**—a democratic lever which we can shape + change to meet social needs.
- 6** Tax is **valuable**—it improves all our lives and increases equity.



HOW THE PUBLIC THINK ABOUT TAX

1 THE CONCEPT OF TAX IS ASSOCIATED WITH LOSS

People are generally loss averse. (Khaneman & Tversky, 1992). We prefer to avoid loss rather than acquiring gains. So, for example, a '5 cent tax' on bags works better than a '5 cent bonus' for bringing your own bags (Homonoff, 2013).

2 BUT TAX IS SEEN AS IMPORTANT AND LEGITIMATE

Tax creates a sense of solidarity and citizenship, and is perceived as giving us high quality services and a form of social insurance or investment (Srblin, 2015).

3 PEOPLE THINK THE CURRENT SYSTEM IS UNFAIR—AND UNDERESTIMATE HOW REGRESSIVE THE TAX SYSTEM IS

The public instinct for a fair tax system (Srblin, 2015):

- a. Tax should be low, but not low at all costs—we should pay the minimum we can to ensure high quality service.
- b. Everyone who can contribute, should—our services are what we get in exchange for our taxes and everyone should pay their fair share.
- c. We should help the poorest—government has a moral imperative to help those that cannot contribute.
- d. Wealthy people should pay more because they can—high income groups are least likely to feel the impact.

And 51% of people say it's unfair because the rich pay too little (Miller, 2017).

4 PEOPLE NOW ADVOCATE MORE TAX, SPEND AND REDISTRIBUTION

For the first time since the crash the majority think we should be paying more and spending more. However, at the same time, other social attitudes are hardening (support for defence spending has never been higher). People also have very different levels of support for different taxes and different elements of public expenditure. (Harding, 2017).

5 PEOPLE THINK TAX EVASION AND AVOIDANCE IS BAD, THOUGH DIFFERENT TAXES HAVE DIFFERENT LEVELS OF SUPPORT

People are more interested in the 'spirit of the law' rather than the letter of the law, and are sceptical of 'legal loopholes' and 'creative accounting' (Harding, 2017).

People are in general more damning of benefit fraud than tax evasion. However, people on the right are more relaxed about tax loopholes, while people on the left are more relaxed about benefit loopholes (Harding, 2017). The IFS found high support for increasing national insurance and slightly less support for increasing income tax (despite income tax being more progressive). Inheritance tax is one of the most disliked taxes.

People are also likely to hold a number of other beliefs that affect how they think about tax. For example that 'tax is boring', 'tax is complicated', 'tax is revenge on the wealthy', 'tax is theft', 'I don't want my money spent on that', 'it doesn't matter if I fiddle the books a bit'.



FRAMING PRINCIPLES

What a persuasive tax narrative must include...

Our task here is to bridge the gaps between what people currently think about tax, and what the messages we want to communicate to them are.

1 APPEAL TO PEOPLE'S BETTER SELVES

- Talk up the imperative to support people through the tax system.
- Emphasise people's compassionate qualities.
- Be wary of framing anyone as essentially bad.
- Avoid shaming celebrity tax avoiders.

2 PROMOTE AN EXPANSIVE, DIVERSE 'US'

- Emphasise solidarity and citizenship without pegging this entirely to tax contribution.
- Highlight the fact that we are all taxpayers—and that income tax is not the only tax.

3 CALL FOR COLLECTIVE RESPONSIBILITY

- Talk about the spirit of the law, not the letter of the law—but be wary of rules of the game metaphor (makes people more fatalistic).
- Call for competent and caring government—talk about things they 'should' do, rather than things they 'don't' do.

4 TALK ABOUT HOW THE SYSTEM IS DESIGNED

- The tax system is a human endeavour and can be redesigned.
- Frame tax as a gain to society and to individuals.
- Frame 'not paying tax' as a loss.
- Use metaphors like redesign and reboot.
- Use language of evolution rather than revolution.

5 SHOW THAT CHANGE IS POSSIBLE AND PEOPLE CAN MAKE IT HAPPEN

- Avoid greedy selfish villains and 'the system is rigged'.
- Talk about money left after tax rather than money paid in tax.
- Talk about tax in %s rather than amounts, e.g. when talking about the need for the wealthy to pay proportionately more income tax.
- Emphasise that tax is a key tool to get the kind of society people want.
- Emphasise the historical and continuing role of tax in helping us build the society most of us want, with good schools, hospitals and services.

For more info on these guidelines see PIRC's blog:
publicinterest.org.uk/narrative-movement-review



OUR KEY MESSAGE

Tax is an essential part of a well-functioning economic machine. It's an incredibly effective tool for alleviating poverty and inequality.

Right now the **tax system is designed to fail** most of us—and is failing to raise enough money for the society we all aspire to live in. **Those who have the most are robbing our public services** because the system allows them to avoid paying their fair share.

If the rules continue to allow this daylight robbery by those with the most, then our hospitals, our schools and our communities will suffer.

We all benefit from having paved roads, healthcare when we are sick, education for our children, parks and green spaces to enjoy. These are things that we could not provide for ourselves individually: **it is much more efficient to pool our resources and provide them together.**

We can easily upgrade the system so that those with the most pay their fair share. A tax system where those with the most pay their fair share will unlock our country's potential.



KEY METAPHORS

The current system **locks us out** whilst the Treasury doors are **unlocked** for those with the most.

Tax makes up the **threads** from which the safety net of the welfare state is made.

Tax is the **foundation** upon which we build a decent society.

Tax as a **tool** that can unlock our potential.

Tax is the **concrete** which builds our hospitals, the bricks and mortar of our school buildings, the **asphalt** of the pavements. Without tax, the whole building falls down.

Tax is a **key cog** in a healthy and well-functioning economy.

We need to clamp down on tax avoidance and evasion to stop the **great tax robbery**.



WORDS THAT WORK

DO USE ✓	DON'T USE ✗
Percentages	Amounts
Common sense change	Radical overhaul
Money left / Remaining profits	Tax paid (for rich people / companies)
Tax avoidance is theft from public purse	Tax avoidance is personal gain
Secrecy jurisdictions	Tax havens
Income tax, VAT, Inheritance tax etc. (be specific)	Tax (used generally)
Taxpayers (to mean all of us)	Taxpayers (to mean income taxpayers)
Earmarked tax	Hypothecate
Schools, Hospitals, Police, Nurses etc	Public services
Schools, Hospitals, Police, Nurses etc	Public purse
Communities—wages, schools, jobs (be specific)	Economy (broadly used)



REFRAMING SPECIFIC TAXES

We need to experiment with how we name different taxes—and think of new ways to describe the different taxes we pay. These are just suggestions—and we want to add more and test them in the future.

TECHNICAL NAME	RIGHT WING NAME	OUR NAME
Land Value Tax	Garden Tax	Developers' Duty
Fuel duty	Tax on Drivers	Clean air levy
Inheritance Tax	Death Duty	



COMMON ATTACKS

"High corporate tax will make companies go elsewhere."

"High taxes on wealth will make people go elsewhere."

"We're all tax avoiders because we all have ISAs."

"(Rich) people earned their money, they deserve to keep it and spend it how they want."

"Tax should be eliminated wherever possible—it is robbery."

RESPONSE:

Our schools, hospitals and police are the ones being robbed by a system which fails to collect enough tax from those with the most. What you [Libertarians] want is a slash and burn approach to public services which is not backed by the vast majority of people.

"Double taxation is bad."

RESPONSE:

We all pay tax multiple times. We pay VAT when we buy things, we pay part of our salary in Council Tax, we pay if we buy or sell our homes. These are just different ways to raise money for the kind of society we want to live in.



WHEN TO USE THIS WORK

TIMELINING:

- » **November:** Budget
- » **November:** G20 meetings
- » **Christmas silly season:** opportunity for set piece press interventions / experiments—plant a story using some of this language
- » **January:** Davos WEF; Oxfam release inequality stats
- » **Brexit!** Creation of vision for UK economy after March 2019; legislation going through parliament
- » **Spring:** Spending review
- » **Spring:** ASI Tax Freedom Day [there is a country that has a Tax Celebration Day]
- » **May annually:** Sunday Times Rich List: opportunity to talk about unearned wealth
- » **Jan/June:** Honours List announcements

We need to be ready for the announcement of new taxes/levies etc. in the budget.



READING & REFERENCES

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FURTHER WORK NEEDED

We've identified a few areas where more specific work would be useful:

- Green taxes, and how to communicate them.
- Wealth taxes, how to communicate them and respond to common attacks. For example do we want to reframe the Inheritance Tax—as some form of intergenerational levy.
- Is it helpful to talk about tax as an investment in the future?

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This guide is a joint piece of work from **NEON** and **PIRC**, following background research and a day long messaging workshop with campaigners and experts working on aviation. This guide is a general overview of how to best communicate on aviation, we will expand on this work by producing guides on specific breaking news items.