Are Firms Fiscally Responsible?*

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Abstract

We study attitudes of firm-decision makers towards taxes using unique large-scale survey experiments representative for Germany. Starting from the hypothesis that businesses desire to lower taxes, we test how attitudes towards a 130 billion Euro fiscal stimulus and desired tax rates change, when subjects are confronted with two treatments highlighting social responsibility, fiscal responsibility, compared to a control group. We find that highlighting fiscal responsibility increases opposition against the state intervention and that the desire to reduce taxes diminishes but find no such effect when highlighting social responsibility. Firm-decision makers want to reduce taxes their firm has to pay stronger compared to taxes their firm does not have to pay. Managers are more willing to pay higher taxes, when agreeing with the fiscal stimulus. The harder the firm was hit by the Covid-19 crisis, the stronger the desire to lower taxes.

Keywords: Desired Tax Rates, Fiscal Stimulus, Firm-Decision Makers, Survey Experiments
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1 Introduction

Business owners including Bill Gates, Marc Cuban, Marc Benioff, and George Soros have publicly expressed their preferences on tax policy and repeatedly called for to raise taxes on the wealthy.[1] How are these preferences formed? What factors influence them? Are the preferences of firm decision makers different in comparison to preferences of the average individual? In much of the survey literature on tax policies, studies use experiments to elicit individuals' preferences with regard to tax and other state policies (Stantcheva (2020); Fisman et al. (2020); Colonnelli and Gormsen (2020)). Most of these studies show that fairness, social considerations or distributional consequences play a crucial role for the support or disapproval of a certain policy. But so far, less is known about attitudes of firm decision-makers towards government policies and tax policies. Nevertheless, firm owners and managers can play an important role by shaping the political agenda and influencing the public opinion (Faccio (2006); Bertrand et al. (2014)). This is particularly true for the case of tax policy, because taxes are important for firm profits and because tax legislation is very complex (Elschner et al. (2018)).[2] A better understanding of tax preferences among firms might also contributes to the role of taxes for firm decisions in general. It is widely believed that the level of (effective) tax rates is of major importance for firm location decisions (Barrios et al. (2012); Voget (2011)). This belief then potentially leads to adverse tax competition. However, firm decision makers may view other factors as important for tax policy. For example, firms may accept higher tax rates if the government provides a reliable insurance for firms in times of crisis or they might like to pay taxes to buy a sustainable government budget. To investigate these questions, we study the reasoning of firm decision makers regarding tax policies using a unique large-scale online survey on a representative sample of more than 16,000 firms and their decision-makers in Germany.[3] To the best of our knowledge, we present the first firm survey that includes questions about desired tax rates.

Our survey was conducted shortly after the first wave of the Corona pandemic hit Germany. This timing of the survey provides the opportunity to study tax preferences in an environment, in which the government was very active and heavily supported firms. The economic turmoil made underlying trade-offs between the need for the fiscal government intervention and how to finance this intervention more apparent. This set-up therefore allows to study the interaction between government support for firms and tax preferences of firm decision-makers. The survey begins by collecting data on firm characteristics like the legal form and the size of the firm (measured by the number of full-time employees subject to social security contributions). Moreover, we ask firm-decision makers about the extent, to which key operating figures like revenues, profits or employees of the respective firms were affected by the Corona crisis since January 2020. The survey then goes on to test how different perspectives on the fiscal stimulus package renders the attitude towards this state intervention and the willingness to pay for such interventions via higher taxes. Starting from

[1] See, e.g., https://markets.businessinsider.com/news/stocks/bill-gates-calls-tax-hike-wealthy-new-years-eve-blog-2020-1-1028791394.

[2] In addition, public relation and philanthropic activities of firms are important and heavily used strategies of firms to shape policy and public opinion. Moreover, the preferences of firms could also serve as a multiplier, for example in the sense that employees of a firm are affected by the preferences of their employers.

[3] The survey is clearly framed as a survey among businesses and survey respondents are asked to fill out the survey in their capacity as firm representatives.

the hypothesis that the responsibility of a business is to increase its profits (Friedman) and therefore to desire lower taxes (CONTROL group), we highlight on the one hand the social responsibility (SOCIAL treatment) of firm decision-makers towards other firms, which are in serious difficulties due to the crisis without being their fault. On the other hand, we stress the fiscal consequences (FISCAL treatment) of the state intervention, which makes tax increases and spending cuts likely to balance the government budget in the long run.

We find that highlighting fiscal responsibility (FISCAL) increases opposition against the state intervention and that the desire to reduce taxes diminishes but find no such effect when highlighting the social responsibility (SOCIAL) firm decision-makers have with regard to other firms compared to the CONTROL group. Moreover, firm-decision makers want to reduce stronger the kind of taxes their firms have to pay compared to taxes their firm does not have to pay. We also observe that managers are on average more willing to pay higher taxes, when they agree that the fiscal stimulus package is justified. Finally, the manager's desire to pay taxes also depends by how much revenues decreased. The harder the firm was hit by the crisis, the stronger is the wish to lower taxes.

The study contribute in several ways. First, our objective is to develop a better understanding of tax preferences of corporate decision makers and their reasoning in the context of taxation. How do firm decision-makers acting in the interest of their firms form preferences for tax policy and how can they be quantified? Further, the paper wants to shed light on the question of whether firms support policies, which come with a government insurance function, but also imply higher tax rates. Do managers view value in paying taxes for redistribution to other firms in distress or are they selfish with regard to the interest for their firms? Do firms care about the overall functioning of the economic environment in the sense that they have preferences for a sustainable government budget? In other words, are they debt averse when it comes to government debt? Or do these preferences depend on the extent to which firms are hit by the crisis? Second, we also study the role of "selfishness" of managers and their corporations in the context of tax policy. For example: Do corporations favor lower corporate taxes and higher individual-income taxes, whereas pass-through companies want higher corporate taxes and lower individual-income taxes, i.e. do firms support bail-out policies only if they do not come with higher taxes for their own firm? Third, we find that making firms aware of circumstantial differences caused by the Corona crisis in our SOCIAL treatment does not alter the support for the fiscal stimulus package nor the willingness to pay taxes. This is an surprising finding since the literature surveying individuals typically finds that individuals prefer to account for circumstantial differences (Alesina and Angeletos (2005); Blesse et al. (2019); Durante et al. (2014); Ooghe and Peichl (2014)). It seems that firm decision-makers in the role as representatives of their firms do behave differently as when surveying individuals. Finally and more broadly, using survey data gives us, in contrast to non-survey data, the chance to examine expectation, attitudes, and views of decision-makers in firms, which can have a crucial influence when deciding on tax strategies, investment strategies or employment decisions. Compared to revealed preference approaches, surveys are therefore able to cast light on these otherwise unobservable preferences and on which factors determine them. With this evidence, we want to contribute empirical evidence, which so far is not observable in archival data.

Our paper proceeds as follows. Section 2 discusses the related literature. Section 3 describes the data collection and the experimental design. Section 4 reports descriptive evidence and Section

5 documents first experimental evidence. Section 6 covers the main analysis of the paper. Section 7 concludes.

2 Related Literature

We contribute to a previous literature, which uses online surveys and experiments to elicit respondents preferences with respect to tax policies. Stantcheva (2020) examines how individuals in the U.S. reason and evaluate specific tax policies and which aspects and views influence approval or disapproval with certain policies. The paper finds that support for tax policies is most strongly correlated with views on the benefits of redistribution and fairness and less driven by efficiency considerations. Building on this evidence, we use survey information treatments, which stress, on the one hand, fairness considerations (SOCIAL treatment), and on the other hand, distribution implications (FISCAL treatment) of a fiscal stimulus package of the German government. We then go on to investigate, in which way approval or disapproval depends on emphasizing the fairness perspective or the distribution perspective of the economic stimulus package and also examine, how these treatments influence the desire to pay higher or lower taxes.

Another paper by Colonnelli and Gormsen (2020) uses a representative large-scale survey of U.S. citizens measuring perceptions on large corporations' environmental and social performance and investigate how these perceptions affect the public support for corporate bailouts. The authors use survey video treatments, which stress a negative, positive or balanced view on the role which large corporations play in environmental, governmental or social matters. The results indicate that the poorer the performance of large corporations is perceived by individuals, the lower is the support for corporate bailouts. We relate to this literature by examining if firms only think selfish or do want to behave fiscally or socially responsible. Whereas Colonnelli and Gormsen (2020) look at environmental, governmental or social performances of firm, we ask the question if firms see it as their social or fiscal responsibility to pay higher taxes to contribute to society. In particular, we investigate how information treatments, which allude to the social responsibility of firms on the one hand and to their fiscal responsibility on the other, change the desire to pay taxes.

Moreover, we contribute to literature, which elicits preferences on income and wealth taxation by randomizing over hypothetical individuals' incomes and wealth levels and asking for the corresponding absolute desired tax bill. Fisman et al. (2020) find U.S. citizens desire, on average, a positive wealth tax of 1.2% and linear desired tax rates on income of about 14 percent. Using a survey experiment, the authors find that wealth tax is higher (3%), when wealth is inherited, and lower (0.8%), when wealth originates from savings. We contribute to this literature by asking firm owners and CEOs for their desired tax rates from the perspective of their firms. Whereas previous research focuses on the preferences of individual citizens and their attitude towards tax and other state policies, we focus on tax preferences of firm-decision makers. To our knowledge, we are the first to concentrate on this specific subgroup of the population and their tax preferences.

3 The Survey

3.1 Data Collection

We collect new survey data via a daily questionnaire from July 6th 2020 until the end of October 2020 to examine various challenges faced by German firms during the Corona crisis. Contact information of firms were obtained by the *Bureau van Dijk Orbis*-database and the sample of participating firms were invited to take the survey via a link send by e-mail. Interested firms were then redirected to the survey that we built with *Qualtrics'* online survey software. Potential participants were informed about the academic institution (*University of Mannheim*), which conducted the survey and that the survey was mainly designed for academic purposes. It was stressed that participation was completely voluntary. We collect data from more than 16,000 firms, covering the whole universe of German companies. The target group of participants ranges from business owners of small and medium sized companies to CEOs of large corporations. At the beginning of the survey, participants were reminded that they should answer the questions from the perspective of their firm.

The survey collects data on firm characteristics like the sector the firm operates in, the legal form and the size of the firm (measured by the number of full-time employees subject to social security contributions). Moreover, the survey asks firm-decision makers about the extent, to which key operating figures like revenues, profits or employees of the respective firms were affected by the Corona crisis since January 2020. Further topics are the expectations about businesses' future prospects (e.g. if and how quickly businesses will recover), planned investments or hiring in the short- and medium term, the survival probability of the respective firm and survival of the industry peers as well as information on the take-up of government relief programs.[4] Importantly, we also conduct a survey experiment, in which we stress different aspects of the fiscal stimulus package of the German government. The survey also collects data on firms' opinion on the fiscal stimulus package of the German government, which was aimed to help firms during the crisis and also asks firms how they would adjust taxes based on their current tax rates, such that the German government is able to support companies in future crises. Whereas the overall sample consists of 16,562 participating firms, we restrict our sample to 12,168 firm-decision makers in the empirical analysis of the paper, which completed the relevant survey sections covering the survey experiment, the questions on the attitude towards the fiscal stimulus package and the adjustment of desired tax rates. In the following section, the survey experiment is described in more detail.

3.2 Experimental Set-Up

We randomly assigned firms to three treatments in our survey with the objective to induce variation in the two outcome variables attitudes towards the fiscal stimulus package and desired tax rates. Figure 10 in the appendix illustrates the experimental design and reports the total number of observations in each treatment and control group. In the following, the different treatments with regard to fiscal stimulus package are described in more detail. The exact wording of the question in German and the English translation can be found in Appendix A.3.

[4] The complete set of questions is available at https://gbpanel.org/frageboegen/.

The first group of firms receives an treatment that we label Fiscal Responsibility (FISCAL). This treatment includes a screen stating that the 130 billion Euro fiscal stimulus could make tax increase or spending cuts necessary. Moreover, we highlight that many countries in financial crisis 2008/9 increased taxes to make this issue more salient to the respondents. We also cite representatives of one of the government parties in Germany, the CDU (*Christlich Demokratische Union Deutschlands*), who announced to repay debts by 2030, to make the possibility of tax increases or spending cuts more credible. The FISCAL treatment therefore mainly stresses the fiscal consequences of the state intervention and makes firm decision-makers more aware of the long-term implication of the stimulus package, i.e. that distributed fiscal aid for the firms must be paid back via higher taxes.

The second group of firms has also been made aware of the 130 billion Euro fiscal stimulus, however, we emphasize that many firms are in distress through no fault of their own, citing the example of the hotel and restaurant industry losing 75.8% of revenues and that the fiscal stimulus package is designed to help them. We refer to this treatment as Social Responsibility (SOCIAL) treatment. In contrast to the FISCAL treatment, the SOCIAL treatment alludes to fairness considerations and highlight that the stimulus package was primarily intended to help firms in need.

Finally, we assigned firms to a control group (CONTROL) that did not receive any text. We asked for the attitude towards the fiscal stimulus on the same screen, showing the treatment texts for the FISCAL and SOCIAL group. For the CONTROL group, we only asked for the attitude towards the fiscal stimulus package without further text. For all 3 different groups (FISCAL, SOCIAL, CONTROL), we asked for the desired tax rates after the treatments were given and the attitude question was asked on a separate screen.

4 Descriptive Analysis

To check whether we were successful in randomly assigning firms to the different treatments, we can compare means across treatments. A key assumption for our experimental design to be valid implies that firm characteristics should not be statistically different from each other. Table 1 reports balance tests showing that the firm characteristics legal form, number of employees, and revenues over the different categories (upper part of Table 1) are in any of the treatment groups statistically identical. Moreover, we show that revenue has declined on average by about 18% since January 2020 for firms in all three groups (Variable *Revenue Change*). For a share of 25% of firms,which again is identical in all treatment groups, revenues increased in the same period (Variable *Revenue Increase*). Columns (4)-(6) of Table 1 report results from *t-Tests*, where all treatments are tested against each other. For a *t-Tests*, a dummy for the respective category of the firm characteristic is regressed on the respective treatment dummies. The results indicate that the randomization was effective.

The lower panel of Table 1 shows differences across means in the two outcome variables of interest by treatment. For the *t-Tests* of the outcome variables *Attitude Towards the Fiscal Stimulus* and *Desired Tax Rates*, again a dummy for the respective category of the outcome variable is regressed on the respective treatment dummies. We generate five binary variables for each of the items of the 5-point Likert scale question on *attitudes towards the fiscal stimulus* and report

the share of respondents. In treatments SOCIAL and CONTROL the distribution of answers is very similar with significant differences implying however that only slightly fewer chose "absolutely justified" in the SOCIAL group compared to the CONTROL group (-4.3 pp.). In contrast, the distribution looks very different in FISCAL group, where the approval of the state intervention is far lower for the FISCAL group compared to the CONTROL group (-24.7 pp.).

At the bottom of the table, we show desired changes in percentage points of corporate tax rates *(Körperschaftsteuer)*, business tax rates *(Gewerbesteuer)*, personal income tax rates *(Einkommensteuer)*, and capital gains tax rates *(Kapitalertragsteuer)*. We asked all respondents for each of these tax rates regardless whether they apply to them or not, a feature which we use in our analysis below.[5] Looking at the results for the *desired tax rate changes*, we find that firm decision-makers in the FISCAL group want to pay significantly higher taxes, i.e. they want to lower taxes less strongly or even want to increase the capital gains tax. CONTROL and SOCIAL groups mostly do not significantly differ from each other, except for the capital gains tax (1.06 pp.). Nevertheless, this difference is small compared to the comparison of the FISCAL group with CONTROL and SOCIAL group (4.08 pp. and 3.02 pp. respectively). For the discussion of the economic magnitudes of the desired tax rate changes, see Section 5.3. For the *t-Tests* of the outcome variables *Attitude Towards the Fiscal Stimulus* and *Desired Tax Rates*, again a dummy for the respective category of the outcome variable is regressed on the respective treatment dummies.

To alleviate concerns that the presence of the question itself might affect desired tax rates, firms of the CONTROL group received with probability 1/2 the question on the attitudes and no information (i.e. no question) at all otherwise. We also ran a further treatment identical to the FISCAL treatment except for not showing the question on attitudes. Table 11 in the Appendix reports descriptive statistics and t-test that show that about 1 percentage point of the effect in the FISCAL treatment stems from the mere presence of the question on attitudes about the fiscal stimulus.

5 Experimental Evidence

5.1 Hypotheses

In a next step, we ask firm decision-makers the following question with regard to their desired tax rates: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate so that the government is able to support companies in crises?"*. In the question we posed, we stressed that these taxes are primarily thought of as a potential insurance against future crises in general and not so much linked to the Corona crisis in particular. Nevertheless, we think that the interplay between paying taxes and receiving government aid becomes particular pronounced in times of crisis, which German

[5]The corporate tax is levied on the profits of corporations (e.g. *AG* or *GmbH*) and the revenues from this tax are shared by the German federal states *(Bundesländer)* and the German federal state *(Bund)*. The tax does not apply to non-corporations like sole proprietorships *(Einzelunternehmen)* or business partnerships *(e.g. OHG, KG)*. The business tax is levied on the profits corporations as well as non-corporations. In contrast to the corporate tax, the German municipalities are entitled to the tax revenues of the business tax. Therefore, this tax represents a *local business tax*. The income tax is levied on income of sole proprietorships. Moreover, partner of business partnerships also have to pay income tax on their share of the profits. Finally, the capital gains tax is levied on dividends, interest or on the disposal of shares and equity funds of shareholders of corporations.

Table 1: Descriptive Statistics Desired Tax Rates

	Means and Standard Deviations			t-Tests		
	FISCAL Treatment	SOCIAL Treatment	CONTROL Treatment	FISCAL vs. CONTROL	SOCIAL vs. CONTROL	FISCAL vs. SOCIAL
Firm Characteristics						
Legal Form (categorical)						
Sole proprietorship	0.1137	0.1065	0.1130	0.0006	-0.0065	0.0072
(SD/SE)	(0.3175)	(0.3086)	(0.3167)	(0.0095)	(0.0094)	(0.0080)
Corporations	0.7124	0.6665	0.7068	-0.0085	-0.0056	-0.0141
(SD/SE)	(0.4527)	(0.4715)	(0.4554)	(0.0136)	(0.0136)	(0.0117)
Business Partnerships	0.1375	0.1369	0.1377	-0.0002	0.0008	0.0006
(SD/SE)	(0.3444)	(0.3438)	(0.3446)	(0.0103)	(0.0103)	(0.0088)
Other Legal Forms	0.0506	0.0442	0.0425	0.0080	-0.0017	0.0064
(SD/SE)	(0.2191)	(0.2056)	(0.2019)	(0.0062)	(0.0061)	(0.0055)
Employees (categorical)						
0 - 9	0.6555	0.6438	0.6516	0.0039	0.0078	0.0117
(SD/SE)	(0.4753)	(0.4790)	(0.4766)	(0.0156)	(0.0156)	(0.0131)
10 - 49	0.2551	0.2659	0.2533	0.0018	-0.0126	-0.0108
(SD/SE)	(0.4360)	(0.4419)	(0.4351)	(0.0143)	(0.0143)	(0.0121)
50 - 249	0.0635	0.0648	0.0708	-0.0073	0.0060	-0.0013
(SD/SE)	(0.2439)	(0.2462)	(0.2566)	(0.0083)	(0.0083)	(0.0067)
250 and more	0.0259	0.0255	0.0243	0.0016	-0.0012	0.0004
(SD/SE)	(0.1587)	(0.1576)	(0.1540)	(0.0051)	(0.0051)	(0.0043)
Revenues (categorical)						
0 - 2 Million	0.7560	0.7456	0.7510	0.0050	0.0054	0.0104
(SD/SE)	(0.4296)	(0.4356)	(0.4326)	(0.0130)	(0.0131)	(0.0113)
2 Million - 10 Million	0.1588	0.1727	0.1582	0.0006	-0.0145	-0.0139
(SD/SE)	(0.3656)	(0.3781)	(0.3650)	(0.0110)	(0.0111)	(0.0097)
10 Million - 50 Million	0.0553	0.0540	0.0628	-0.0075	0.0088	0.0013
(SD/SE)	(0.2286)	(0.2260)	(0.2427)	(0.0072)	(0.0071)	(0.0059)
More than 50 million	0.0299	0.0277	0.0280	0.0019	0.0003	0.0022
(SD/SE)	(0.1702)	(0.1640)	(0.1650)	(0.0050)	(0.0050)	(0.0043)
Revenue Change						
Scale: [-1,1]	-0.1793	-0.1798	-0.1669	-0.0123	0.0129	0.0006
(SD/SE)	(0.4408)	(0.4524)	(0.4379)	(0.0135)	(0.0136)	(0.0118)
Revenue Increase						
Dummy: 0/1	0.2836	0.2862	0.2883	-0.0047	0.0021	-0.0026
(SD/SE)	(0.4508)	(0.4521)	(0.4531)	(0.0153)	(0.0152)	(0.0130)
Outcome Variables						
Attitude Towards Fiscal Stimulus						
Absolutely Justified	0.1584	0.3624	0.4053	-0.2470***	-0.0430***	-0.2040***
(SD/SE)	(0.3652)	(0.4808)	(0.4912)	(0.0155)	(0.0165)	(0.0110)
Justified	0.4389	0.4840	0.4442	-0.0052	0.0399**	-0.0451***
(SD/SE)	(0.4963)	(0.4998)	(0.4971)	(0.0168)	(0.0168)	(0.0129)
Not Justified Nor Unjustified	0.1557	0.0957	0.0971	0.0586***	-0.0013	0.0600***
(SD/SE)	(0.3626)	(0.2943)	(0.2962)	(0.0107)	(0.0100)	(0.0085)
Not Justified	0.1470	0.0439	0.0356	0.1114***	0.0083	0.1031***
(SD/SE)	(0.3541)	(0.2049)	(0.1854)	(0.0084)	-(0.0065)	(0.0075)
Absolutely Not Justified	0.1000	0.0140	0.0178	0.0822***	-0.0038	0.0860***
(SD/SE)	(0.3001)	(0.1174)	(0.1323)	(0.0067)	(0.0043)	(0.0059)
Desired Tax Rates						
Corporate Tax (in pp.)	-0.0064	-0.0322	-0.0309	0.0245***	-0.0013	0.0258***
(SD/SE)	(0.0769)	(0.0839)	(0.0849)	(0.0036)	(0.0037)	(0.0029)
Business Tax (in pp.)	-0.0138	-0.0430	-0.0411	0.0274***	-0.0019	0.0292***
(SD/SE)	(0.0794)	(0.0878)	(0.0923)	(0.0037)	(0.0039)	(0.0030)
Income Tax (in pp.)	-0.0057	-0.0348	-0.0338	0.0281***	-0.0010	0.0291***
(SD/SE)	(0.0741)	(0.0853)	(0.0879)	(0.0035)	(0.0037)	(0.0028)
Capital Gains Tax (in pp.)	0.0364	0.0063	-0.0044	0.0408***	0.0106**	0.0302***
(SD/SE)	(0.0921)	(0.0980)	(0.0985)	(0.0042)	(0.0043)	(0.0034)

Note: The table illustrates descriptive statistics on firm characteristics and key outcome variables over the different information treatments used in the empirical analysis of the paper. Columns (4)-(6) of Table 1 report results from *t-Tests*, where all treatments are tested against each other. For the *t-Tests*, a dummy for the respective category of the firm characteristic/outcome variable is regressed on the respective treatment dummies.

businesses experienced when the Corona crisis hit.

The question of interest is if the treatments, we exposed firm decision-makers to, had an effect on the approval with regard to the fiscal stimulus package and the chosen change in the desired tax rate. Our primary assumption is that firms and their decision-makers want to lower their tax burden as much as possible. We therefore expect significant negative adjustments for the CONTROL group. In the following, we start from the following basic hypotheses and examine if the empirical analysis supports them:

Hypothesis 1a: SOCIAL

"Firm decision-makers in the SOCIAL treatment are more likely to think that the fiscal stimulus program of the German state is justified."

Hypothesis 2a: FISCAL

"Firm decision-makers in the FISCAL treatment are less likely to think that the fiscal stimulus program of the German state is justified. "

Stantcheva (2020) argues that the most important aspect people take into consideration when assessing tax policies is their perceived fairness. Hence, we expect that the support of government policies predicts the amount of taxes firms are willing to pay for these policies. Hence, we form the following hypotheses regarding the effect of the treatments on desired tax rates.

Hypothesis 1b: SOCIAL

"Firm decision-makers in the SOCIAL treatment are more in favor of increasing tax rates relative to the control group."

Hypothesis 2b: FISCAL

"Firm decision-makers in the FISCAL treatment are less in favor of increasing tax rates relative to the control group."

We further assess whether firms in the treatment groups react differently regarding certain characteristics. (Bartels, 2005) show that whether people's own tax burden increases strongly influences the attitude of people towards tax changes or reform. Hence, we hypothesize that:

Hypothesis 3: Attitude towards Fiscal Stimulus Package

"Firm decision-makers, which agree with the fiscal stimulus package, want to pay higher taxes."

Hypothesis 4: Tax Type

"Firm decision-makers choose the tax mix such that their own tax burden is minimized."

Hypothesis 5: A□ectedness in Revenue

"Firm decision-makers with firms, which were less strongly a ected by the crisis, have more fiscal leeway to sustain tax increases."

5.2 Is the fiscal stimulus package perceived as justified?

We begin our analysis of the empirical evidence by looking on the impact the survey experiment had on the outcome variable *Attitude towards the fiscal stimulus package*. In the survey, we asked firm owners and managers the following question: *"Do you think that the fiscal stimulus package of the German government is justified?"*. Participants could answer this question on a 5-point Likert scale, ranging from the item *Absolutely Not Justified* to the item *Absolutely Justified*. Figure 1 compares the distribution of CONTROL and SOCIAL group with regard to this question. There is clear evidence that the distributions resemble each other and that a overwhelming majority in these treatment groups agree with government intervention. The high approval figures might be due to the fact that, in the SOCIAL group, firm decision-makers were confronted with the social aspect of the fiscal stimulus, which might be an explanation of the high consent figures overall. Interestingly, stressing the social aspect of the state intervention seems to have no additional impact because managers in the CONTROL group seem to think similarly.[6]

Figure 2 compares the distribution of CONTROL and FISCAL group with regard to the attitude towards the fiscal stimulus package. For the FISCAL group, one can observe lower approval shares (especially item *"Absolutely justified"*) and higher disapproval compared to the CONTROL group (items *"Neither Justified Nor Unjustified"*, *"Not justified"* and *"Absolutely not justified"*). This might stem from the fact that firm decision-makers in the FISCAL group are more aware of the fiscal consequences of the state intervention and that the fiscal stimulus package has to be paid for.

Overall, we find that 85% in the group CONTROL agree with government intervention (items *"Absolutely justified"* and *"Justified"*). Comparing the approval numbers with group SOCIAL, we find that that a equally comparable large number of firm decision-makers consents with the government intervention. In this group, 84% agree with government intervention. Another picture emerges when comparing the approval figures of the FISCAL group with the CONTROL group and the SOCIAL group. Only 60% agree the fiscal stimulus package when the firm-decision makers are reminded about future tax increases and spending cuts to finance the fiscal intervention. The difference in approval rates is mainly driven by a strong negative relative effect size of 61% for item *"Absolutely justified"* between CONTROL group (41%) and FISCAL group (16%) and a positive overall increase of around 25 percentage points over the items *"Neither Justified Nor Unjustified"*, *"Not justified"* and *"Absolutely not justified"* for the FISCAL group.

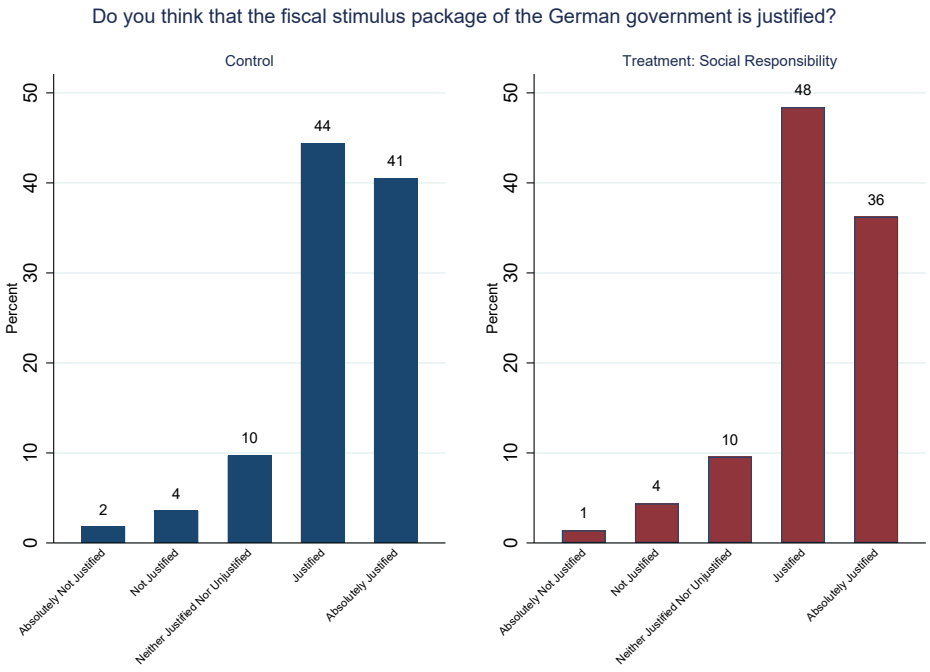
To sum up, there seems to be no significant difference between the CONTROL group and the SOCIAL Group in the approval figures with regard to the fiscal stimulus package. In contrast, if firms expect tax rates to rise (FISCAL) they find the state intervention less justified. Hence, Hypothesis 1a and Hypothesis 2a cannot be rejected.

5.3 Desired Tax Rates

In this section, we test if the treatments also had an effect on the adjustment of desired tax rates. Like mentioned in the hypothesis section, it might be the case that, in the SOCIAL group, managers

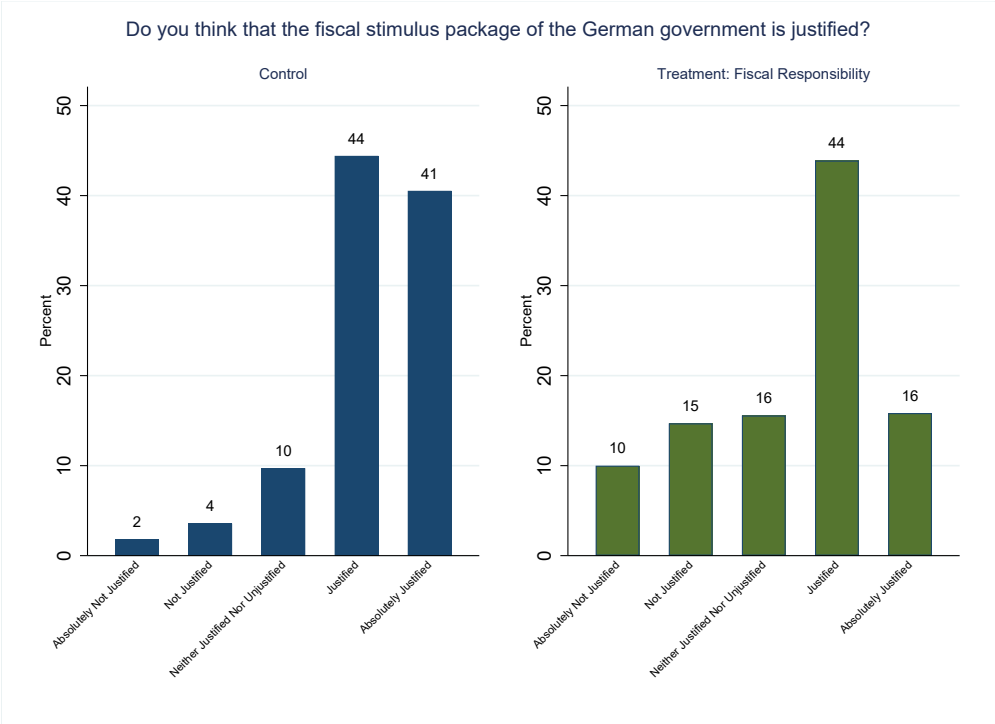
[6] It might even be the case that mentioning the magnitude of fiscal stimulus package could have decreased approval figures in the SOCIAL group compared to the CONTROL group (see item *Absolutely Justified* (36% vs. 41%)).

Figure 1: Control vs. Social Responsibility



Notes: This figure illustrates the different distributions over a 5-point Likert scale on the question *"Do you think that the fiscal stimulus package of the German government is justified?"* for the *Control Group* and the *Social Responsibility Group*.

Figure 2: Control vs. Fiscal Responsibility



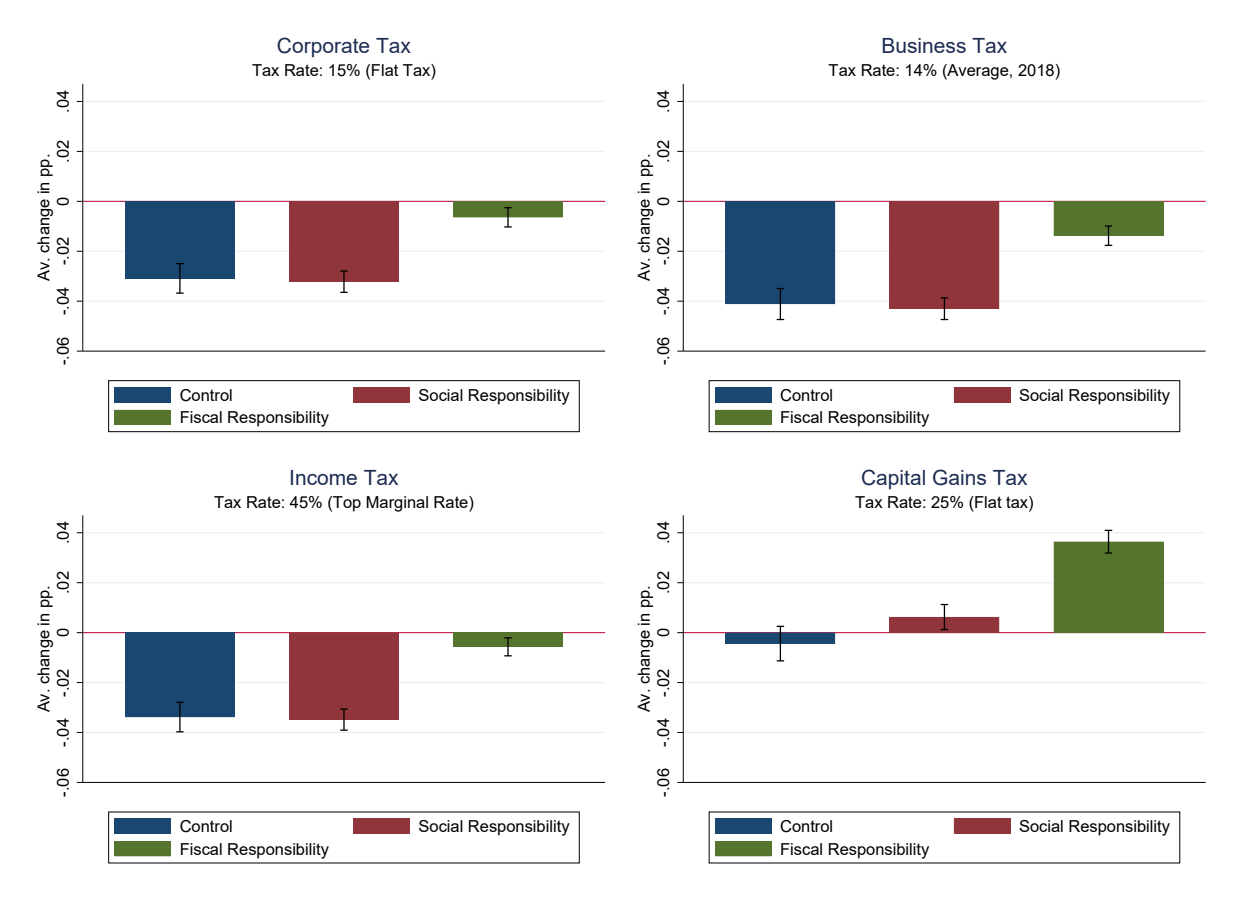
Notes: This figure illustrates the different distributions over a 5-point Likert scale on the question *"Do you think that the fiscal stimulus package of the German government is justified?"* for the *Control Group* and the *Fiscal Responsibility Group*.

might be more in favour of paying higher taxes compared to the CONTROL group. Alluding to the social dimension of the stimulus package might speak to the altruistic feelings of firm decision-makers, thereby raising their desire to pay higher taxes. In contrast, firms in the FISCAL treatment might be more aware of the costs of the state intervention and are less in favour of increasing tax rates relative to the CONTROL group.

Figure 3 shows the mean desired tax rate adjustment for the corporate tax, business tax, income tax and capital gains tax over CONTROL and the treatments SOCIAL and FISCAL. For all the different taxes, one can observe that firm decision-makers in the FISCAL group want significantly less strongly decrease the respective tax rates (or even want increase the capital gains tax) compared to the CONTROL group and SOCIAL group. For the corporate tax, firm-decision makers want to reduce the the corporate tax by 3.1 pp. (CONTROL) and 3.2 pp. (SOCIAL) respectively, corresponding to a relative reduction of 21% when applying the flat corporate tax of 15%. For the FISCAL group the reduction is less strong (1 pp.), corresponding to a relative change of 6%. For the business tax, the reduction over all groups becomes even more pronounced, potentially due to the fact that the business tax has to be paid by all legal forms. The percentage point reduction amounts to 4.1 pp. and 4.3 pp. for the CONTROL and SOCIAL group, respectively. Again, the reduction for the FISCAL group (1.4 pp.) is less strong. The respective relative changes are also meaningful when applying the average business tax rate from 2018 (14%). The percentage point changes correspond to a relative reduction of 29%, 31% and 10% for CONTROL, SOCIAL and FISCAL, respectively. For the income tax, a similar picture emerges with a pp.- change of 3.4 for CONTROL, 3.5 pp. for SOCIAL and only 1 pp. for FISCAL. When applying the top marginal income tax of 45%, these percentage point changes correspond to relative reductions of 8% (CONTROL), 8% (SOCIAL) and 2% (FISCAL), which is a conservative estimate given that the top marginal rate is used as a reference. Finally, when looking at the capital gains tax, a different picture emerges. For CONTROL group, there is only a slight negative average percentage point change existent (-0.44 pp.), which seems not to be significantly different from zero. For the SOCIAL group, a statistically significant increase of around 1 pp. is observed, whereas this positive increase becomes more pronounced for the FISCAL group (3.6 pp.). Applying the capital gains tax of 25%, this translates into a relative increase of 4% for the SOCIAL group and a 14% increase for the FISCAL group. Overall, the empirical evidence indicates that firm-decision makers, which have been given the Fiscal information treatment, are willing to pay higher taxes.

When comparing our empirical results to the hypothesis we proposed, the following picture emerges. Firms, which do not get any treatment, want to pay the lower taxes over all different tax types. This seems to corroborate Friedman's view that firms have the responsibility to increase profits which can be done by lowering their tax burden (Colonnelli and Gormsen, 2020). Nevertheless, firms do not want to reduce taxes to the point where they do not have to pay no taxes at all. Hypothesis 1b (SOCIAL) must also be rejected. Compared to the CONTROL group, alluding firm-decision makers to the difficult economic situation firms especially in the hotel and restaurant industry are in due to the Corona crisis, makes them not more social in the sense of paying higher taxes, even if they are reminded that the economic difficulties are not the fault of these companies. Interestingly, another picture emerges for the FISCAL group. It seems that firm-decision makers believe in the importance of a balanced government budget and think that the fiscal responsibility

Figure 3: Adjustment of Tax Rates over Treatments



Notes: This figure illustrates the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsbility*. The corresponding question in the survey questionnaire asks: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate, so that the government is able to support companies in crises?".*

of firms is to pay higher taxes compared to the CONTROL group, to make sure that the states inter-temporal budget constraint[7] holds. Hypothesis 2b (FISCAL) must therefore be rejected.

Finally, on average, there seems to be evidence that firm-decision makers want to increase the capital gains tax. Over all treatments, we find an average desired increase of 1.8 percentage points. Effectively, this would result in an adjusted tax rate of 26.8%. Following Keuschnigg (2005), one can translate the capital gains tax in a wealth tax by applying the following formula:

$$(1-\tau^r)r = r - \tau^w \;\Leftrightarrow\; \tau^w = \tau^r r \tag{1}$$

where τ^w represents the wealth tax, τ^r the capital gains and r the interest rate. Applying the average desired capital gains tax from our survey and assuming a average interest rate of 5% over different asset classes like bonds and shares, leads to a wealth tax of $\tau^w = 1.34\%$. This is a similar estimate found in Fisman et al. (2020), where the positive desired wealth taxation amounts to 1.2% on average and is higher (3%) when the source of wealth is inheritance and lower (0.8%) when wealth is from savings.

6 Main Results

6.1 Desired Tax Rates and Justifiableness

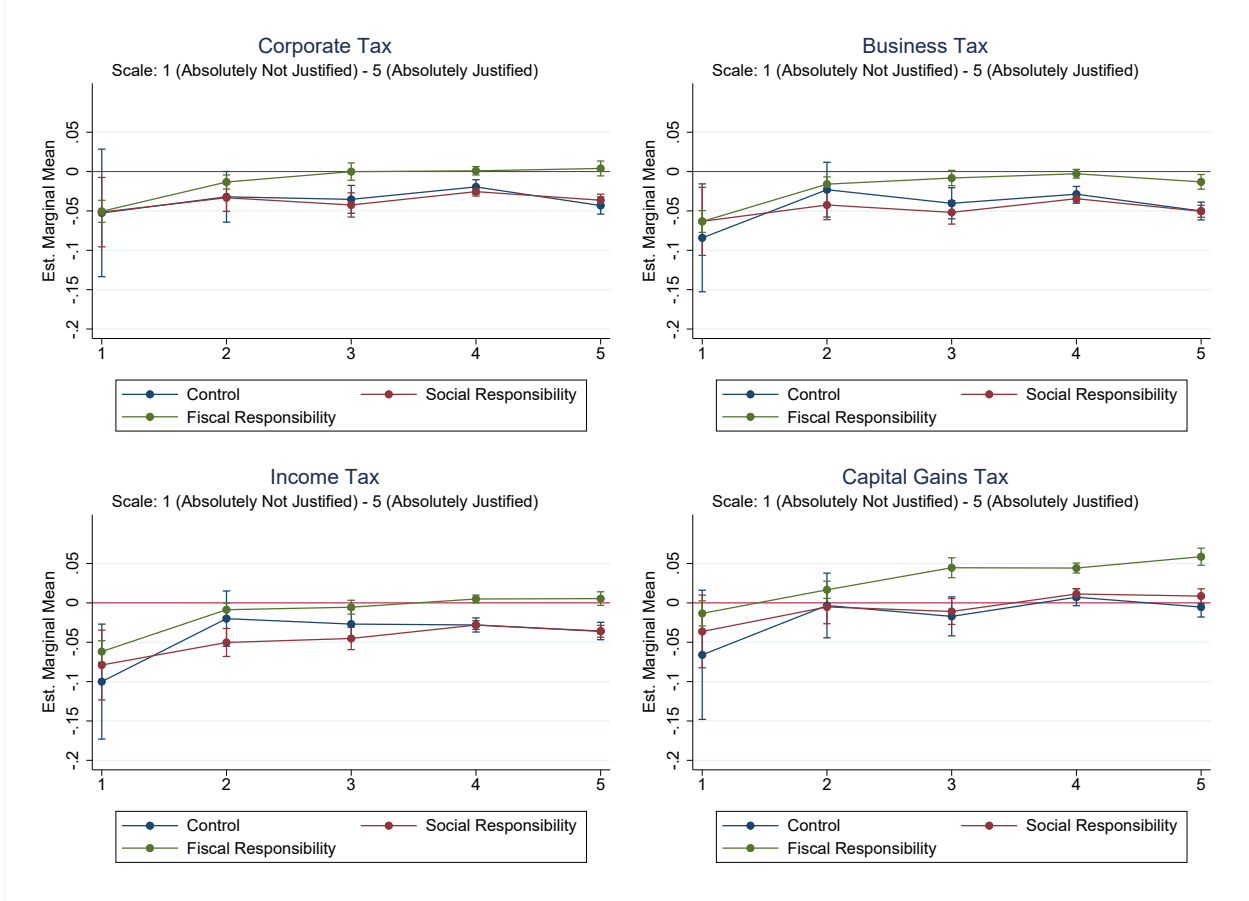
Next, we examine how the willingness of firm-decision makers to pay taxes changes with approval or non-approval of the fiscal stimulus package of the German government. The a priori hypothesis is the following: Firm decision-makers, which agree with the fiscal stimulus package, are willing to pay higher taxes (Hypothesis 3). Figure 4 shows the estimated marginal means over treatments and approval item with regard to the question: *"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*. The estimated marginal means stem from an OLS regression of the adjustment of the respective tax rate on the dummies for the individual treatments and the categorical items of the attitude towards the fiscal stimulus package, controlling also for the interaction of the treatment with the different attitude items (5-point Likert scale: *Absolutely Not Justified (1)* to *Absolutely Justified (5)*).

In Figure 4, the estimated marginal means are depicted for the different items on the 5-point Likert scale to assess the opinion on the fiscal stimulus package of the government to help firms in need. A clear picture emerges: First, firm-decision makers, which find the fiscal stimulus package justified (items *"Absolutely Justified"* and *"Justified"*) and got the FISCAL treatment, are willing to pay higher taxes on average than firm-decision makers which do not agree with the fiscal state intervention and were in the SOCIAL group or CONTROL group. They do not want to reduce

[7] A rejection of *Hypothesis 3 (FISCAL)* could mean that for firm decision makers *Ricardian Equivalence* holds, i.e. that a tax cut or debt increase must be financed by future tax increases. To fulfill the inter-temporal budget constraint of the state, firms are willing to pay higher taxes in the future to finance the budget deficit of today. This means that the public debt of today plus interest must be equal to the net present value of the surplus of tax revenues over public expenditures in the future.
Inter-temporal budget constraint of the state (T-Period Model) (Keuschnigg, 2005):

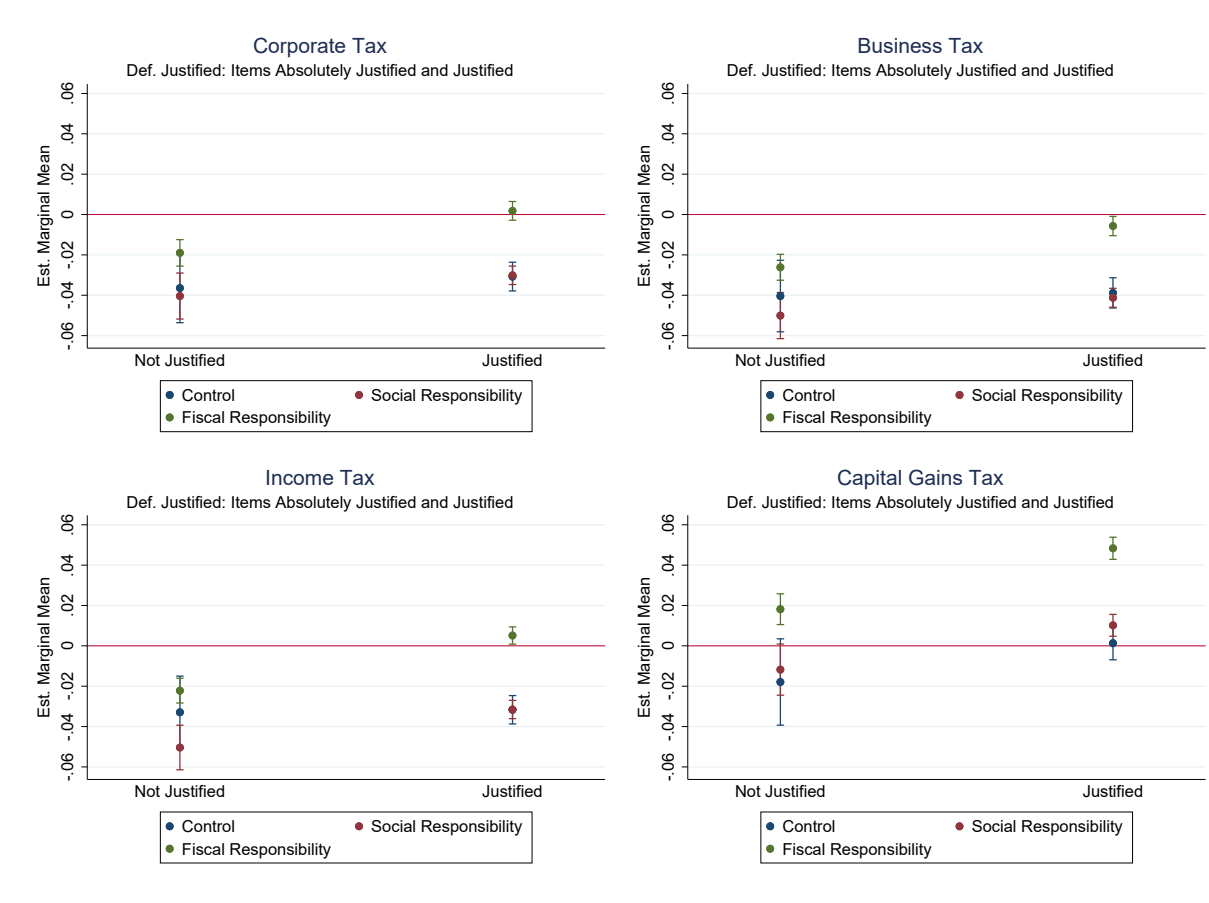
$$RD_0 = \sum_{t=0}^{T}(T_t - G)\frac{1}{R^t} + \frac{D_{T+1}}{R^T},\ with\ D_{T+1} = 0$$

Figure 4: Desired Tax Rates and Agreement Fiscal Stimulus Package



Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, controlling for the acceptance with regard to the fiscal stimulus package. The acceptance of the fiscal stimulus package is captured by a 5-point Likert scale, ranging from *Absolutely Not Justified (1)* to *Absolutely Justified (5)*. The corresponding question in the survey questionnaire asks: *"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*.

Figure 5: Desired Tax Rates and Agreement Fiscal Stimulus Package



Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility* controlling for the acceptance with regard to the fiscal stimulus package. *Justified* is a dummy, which equals *1*, if the respective firm has selected item *Absolutely Justified* or item *Justified*, when asked the following survey question: *"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*

their taxes and even want to increase the capital gains tax. This holds also true for Figure 5, where the sample is split in firm-decision makers agreeing with the fiscal stimuls package (Items *"Absolutely Justified"* and *"Justified"*) and firm-decision makers, which do not (*"Neither Justified Nor Unjustified"*, *"Not justified"* and *"Absolutely not justified"*). Overall, there is a clear tendency that managers or firm owners want to pay higher taxes when they find the fiscal stimulus package justified and were subject to the FISCAL treatment. The estimated marginal means in Figure 5 are taken from the OLS regressions in Table 2. To sum up, Hypothesis 3 cannot be rejected: Firm decision-makers, which agree with the fiscal stimulus package and got the FISCAL treatment, are willing to pay higher taxes.

Table 2: Desired Tax Rates and Agreement Fiscal Stimulus Package

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0364***	-0.0404***	-0.0329***	-0.0179
	(0.0088)	(0.0090)	(0.0091)	(0.0109)
Social Treatment	-0.0040	-0.0097	-0.0175	0.0061
	(0.0105)	(0.0108)	(0.0107)	(0.0127)
Fiscal Treatment	0.0174*	0.0142	0.0107	0.0361***
	(0.0094)	(0.0096)	(0.0097)	(0.0116)
Justified	0.0057	0.0015	0.0013	0.0193*
	(0.0095)	(0.0098)	(0.0098)	(0.0117)
Soc. Treatment × Justified	0.0046	0.0073	0.0176	0.0027
	(0.0114)	(0.0117)	(0.0116)	(0.0137)
Fisc. Treatment × Justified	0.0151	0.0189*	0.0260**	0.0109
	(0.0103)	(0.0106)	(0.0105)	(0.0126)
Est. M.M.: Fisc. Treat./Just.	0.0018	-0.0057	0.0051	0.048
	(0.0024)	(0.0024)	(0.0022)	(0.0028)
Observations	3633	3844	3850	3669
Adjusted R^2	0.030	0.031	0.042	0.041

Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for the acceptance with regard to the fiscal stimulus package. *Justified* is a dummy, which equals *1*, if the respective firm has selected item *Absolutely Justified* or item *Justified*, when asked the following survey question:*"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*, and is *0* otherwise. Robust Standard Errors are in parentheses. Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

6.2 Desired Tax Rates and Legal Form

In this section, we test if firms favor a stronger reduction of taxes they are liable to (see Hypothesis 4). The type of taxes a firm has to pay depends on its legal form. We predict that incorporated firms are more likely to propose higher corporate tax cut, because this tax is only paid by corporations, whereas non-incorporated firms are more likely to propose higher tax cuts for the income tax rate,

which need to paid only by non-corporations. We also expect a lower desired capital gains tax for corporations, because manager of incorporated firms might also take into account the preferences of their shareholder when answering this question. Additionally, we do not expect a difference with regard to the business tax rate, because incorporated as well as non-incorporated firms have to pay the tax.

Table 3 shows that firm decision-makers in corporations propose a lower level of the corporate income tax rate as well as the capital gains tax rate. Decision-makers in corporations also desire higher levels of the personal income tax rate. However, the effect size is smaller and only statistically significantly different from zero at the 10% level. When we control for employees, economic sector and revenues in Table 4, the effects remain robust but the positive effect for corporations for the income tax rate adjustment becomes just insignificant. Nevertheless, the overall picture remains the same. One potential explanation for the weak effect for the income tax might be that decision-makers from incorporated firms also receive some income subject to the personal income tax rate. They are therefore less in favor of increasing this tax rate strongly, even when answering from the perspective of their incorporated firm, which does not need to pay the tax. Alternatively, a higher personal income tax rate might also increase the cost of employees.

Figure 6 shows that the differential effects between firms of different legal forms are not affected by the treatment they receive. It shows the estimated marginal means over treatment and legal form and corresponds to the coefficients estimated in Table 3. Decision-makers in the FISCAL treatment always desire higher levels of taxes regardless of their legal form. Non-incorporated firms in the FISCAL treatment desire an increase of the corporate tax rate compared to the CONTROL and SOCIAL treatment group. Again, we observe no difference with respect to the business tax rate, what is expected given that tax has to be paid no matter what legal form of the firm is. Both legal types want to decrease the tax, although less strongly in the FISCAL treatment compared to CONTROL and SOCIAL group. For the income tax, we observe only a small difference in levels between incorporated firms and non-incorporated firms, where over all treatments corporations desire higher taxes compared to non-corporation, but this effect is not significant. For the capital gains tax, one observes especially for non-incorporated firms an increase in the tax rates, whereas only corporations in the FISCAL treatment desire an increase in the capital gains tax. When looking at all tax rates, firm decision-makers in the FISCAL group want to pay higher taxes compared to CONTROL and SOCIAL group, no matter what legal form applies.

Overall, there is evidence that firms want to reduce the type of taxes they have to pay and increase taxes they do not have to pay, i.e. they want to free-ride by increasing taxes they do not have to pay and thereby want to reduce their tax burden. Therefore, Hypothesis 4 cannot be rejected.

6.3 Desired Tax Rates and A□ectedness

In this section, we examine if desired tax rates vary with the revenue impact of the Corona crisis (Hypothesis 5). On the one hand, firms which experienced a positive revenue shock are better able to cope with the additional burden of higher taxes. Firms with a positive revenue shock should therefore be more supportive of higher tax rates. On the other hand, loss-making firms do not have to pay any taxes. Thus, if firms only consider their own tax burden we should observe that desired

Table 3: Desired Tax Rates and Legal Form

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0144**	-0.0469***	-0.0472***	0.0157**
	(0.0058)	(0.0062)	(0.0063)	(0.0072)
Social Treatment	-0.0035	-0.0048	-0.0049	-0.0031
	(0.0092)	(0.0093)	(0.0094)	(0.0107)
Fiscal Treatment	0.0216***	0.0312***	0.0311***	0.0298***
	(0.0073)	(0.0074)	(0.0075)	(0.0087)
Corporation	-0.0255***	0.0020	0.0121*	-0.0197**
	(0.0063)	(0.0067)	(0.0068)	(0.0078)
Soc. Resp. × Corp.	0.0082	0.0085	0.0087	0.0117
	(0.0099)	(0.0101)	(0.0100)	(0.0116)
Fisc. Resp. × Corp.	0.0052	-0.0036	-0.0052	0.0035
	(0.0079)	(0.0081)	(0.0081)	(0.0094)
Est. M.M.: Fisc. Treat./Corp.	-0.0131	-0.0173	-0.0092	0.0292
	(0.0016)	(0.0017)	(0.0016)	(0.0019)
Prediction Corporations	Fridman's Doctrine	Neutral	Free-Riding	Fridman's Doctrine
Observations	4989	5299	5286	5035
Adjusted R^2	0.028	0.024	0.027	0.026

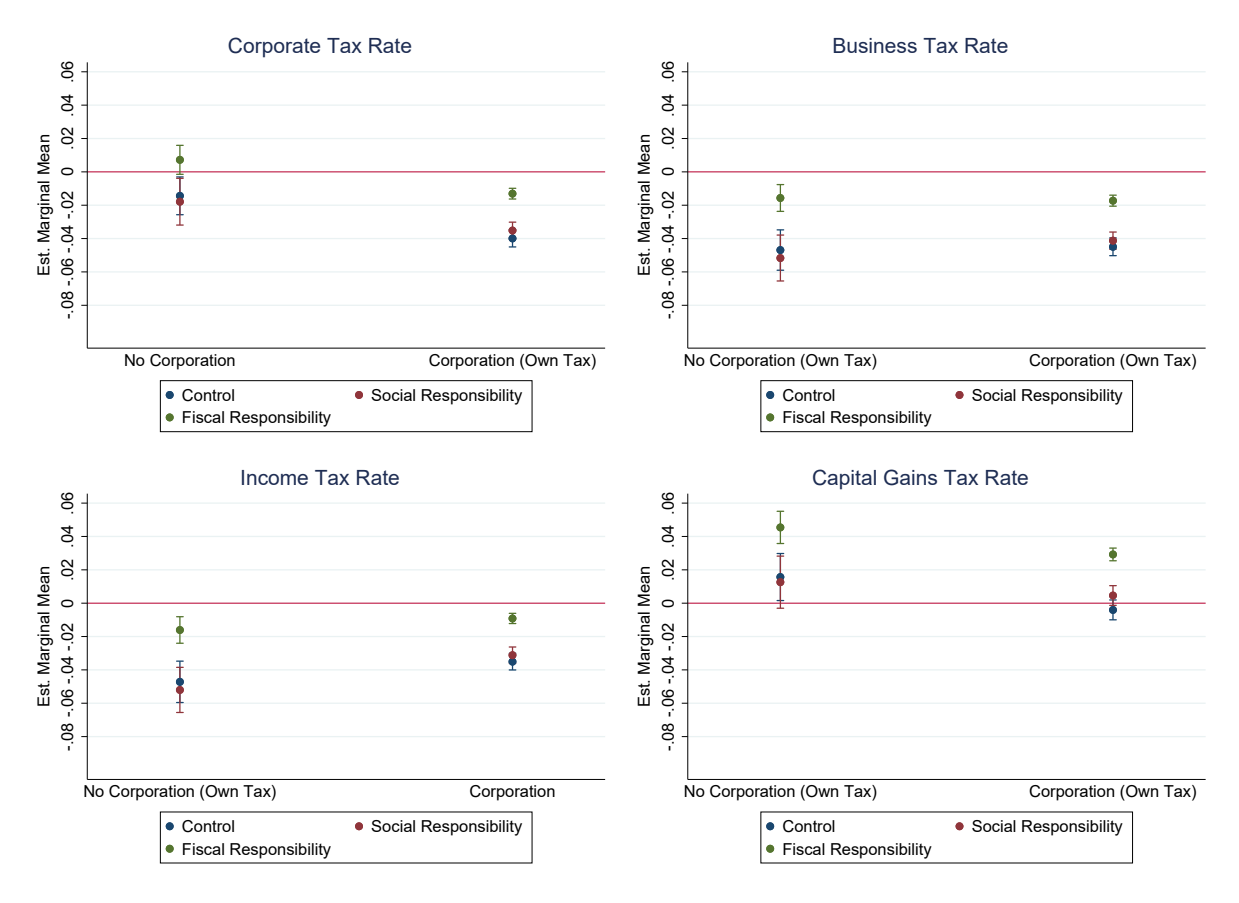
Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for the legal form (corporation/non-corporation) of a firm. *Corporation* is a dummy, which equals *1*, if the respective firm has selected legal form *AG* or legal form *GmbH*. The dummy is *0*, if legal form *Einzelunternehmen*, legal form *OHG* or legal form *KG* was selected. Robust Standard Errors are in parentheses; Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 4: Desired Tax Rates and Legal Form (cont.)

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0245***	-0.0594***	-0.0530***	0.0073
	(0.0069)	(0.0073)	(0.0073)	(0.0085)
Social Treatment	-0.0034	-0.0047	-0.0051	-0.0050
	(0.0092)	(0.0093)	(0.0093)	(0.0108)
Fiscal Treatment	0.0211***	0.0307***	0.0308***	0.0291***
	(0.0074)	(0.0074)	(0.0074)	(0.0088)
Corporation	-0.0270***	0.0008	0.0106	-0.0230***
	(0.0065)	(0.0069)	(0.0069)	(0.0080)
Soc. Resp. × Corp.	0.0077	0.0082	0.0087	0.0133
	(0.0099)	(0.0100)	(0.0100)	(0.0116)
Fisc. Resp. × Corp.	0.0053	-0.0037	-0.0054	0.0039
	(0.0080)	(0.0081)	(0.0080)	(0.0095)
Industry (Baseline: Commerce)	Yes	Yes	Yes	Yes
Revenues (Baseline: 700'-2 Mio.)	Yes	Yes	Yes	Yes
Employees (Baseline: 1-5 empl.)	Yes	Yes	Yes	Yes
E.M.M.: F./C.	-0.0131	-0.0173	-0.0092	0.0292
	(0.0016)	(0.0017)	(0.0016)	(0.0019)
Prediction Corporations	Fridman's Doctrine	Neutral	Free-Riding	Fridman's Doctrine
Observations	4989	5299	5286	5035
Adjusted R^2	0.035	0.035	0.039	0.031

Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for the legal form (corporation/non-corporation) of a firm. *Corporation* is a dummy, which equals *1*, if the respective firm has selected legal form *AG* or legal form *GmbH*. The dummy is *0*, if legal form *Einzelunternehmen*, legal form *OHG* or legal form *KG* was selected. We control for firm characteristics like industry, number of full-time employees subject to social security contributions and Revenues. Robust Standard Errors are in parentheses; Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Figure 6: Adjustment of Tax Rates over Legal Forms and Treatments



Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsbility* accounting for the legal form (corporation/non-corporation) of a firm. *Corporation* is a dummy, which equals *1*, if the respective firm has selected legal form *AG* or legal form *GmbH*. The dummy is *0*, if legal form *Einzelunternehmen*, legal form *OHG* or legal form *KG* was selected.

tax rates decrease with the impact of the corona crisis on revenue. Another possibility is that firms with a negative revenue change might have experienced that the extent of the government aid was not enough or paid out too late, such that their trust in the state has dropped. Therefore, firm decision-makers of such firms might be less willing to raise taxes.

Figure 7 shows that the desired level of taxes increases with a positive revenue change. The figures shows estimated marginal means over the different treatments and revenue change level, where revenues can decrease or increase up to 100%. Moreover, we control also for the quadratic revenue change. Overall, the increase is robust across treatments. On average firms with high levels of revenue loss want to decrease all types of taxes, except for the capital gains tax, regardless of the treatment they received. Firms which received the FISCAL treatment want to decrease all types of taxes less than firms which receive the SOCIAL treatment or are in the CONTROL group. For positive revenue changes, firms in the FISCAL treatment do not want to reduce taxes. For very high revenue increases, the difference between the treatments becomes insignificant. For example, firms with a high positive revenue shock and the FISCAL treatment want to change the capital gains tax on average as much as firms in the SOCIAL group and CONTROL group.

Table 5 shows that the effect of a positive revenue shock is positive and significantly different from zero for all types of treatments. The variable *Positive Revenue Change* is dummy equal to 1 if a firm experienced a positive revenue change. Overall, we see that mainly the treatment effect and the revenue change are driven the results but do not observe a consistent significant effect for the interactions. To sum up, Hypothesis 5 cannot be rejected. Firm decision-makers in firms with a positive revenue change have more fiscal leeway and are willing to pay higher taxes.

6.4 Desired Tax Rates and A□ectedness/Justifiableness

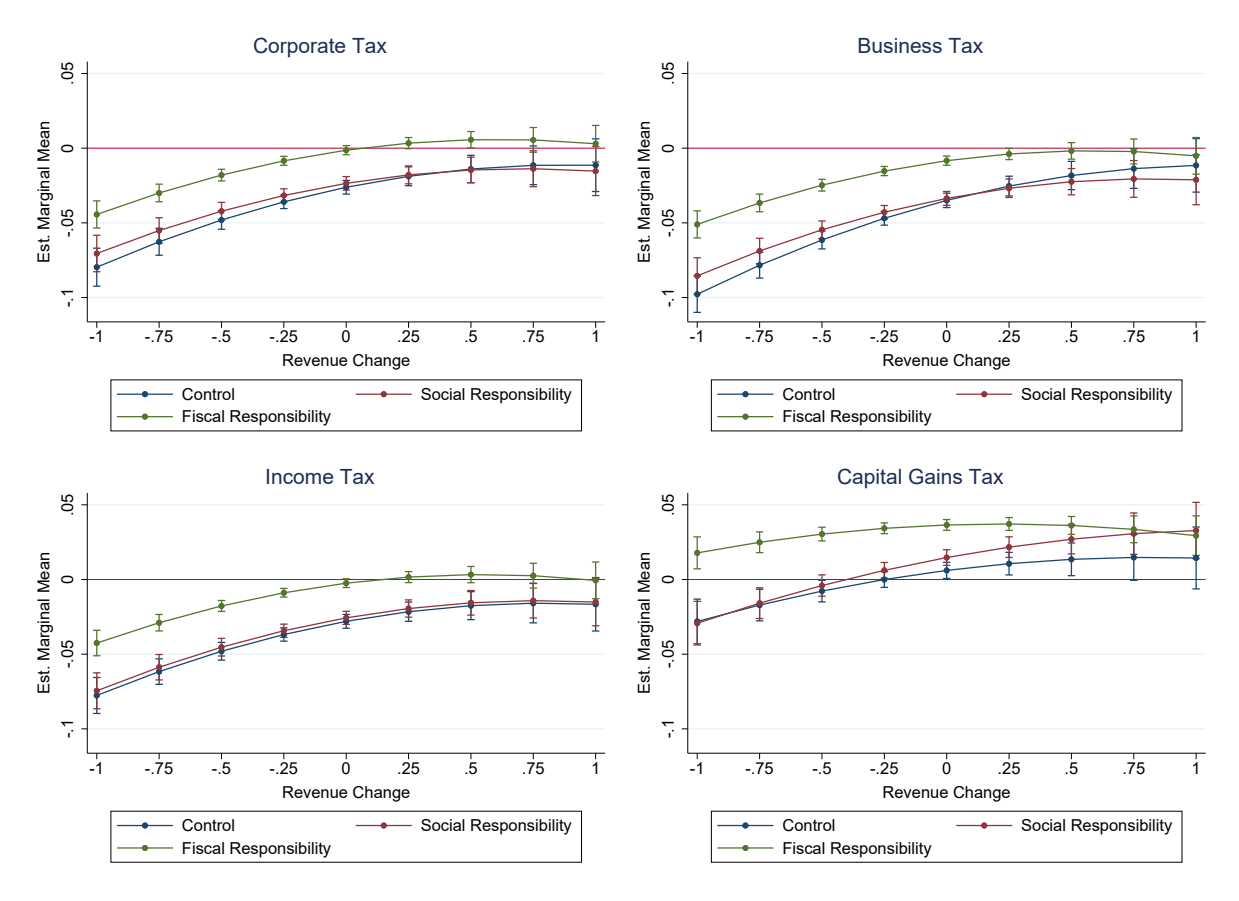
In the following section, we examine whether affectedness and justifiableness together differently affect the desired level of tax rates. Firm decision-makers who support the fiscal stimulus program are more supportive of higher taxes. Further, decision-makers of firms who were less affected by the Corona crisis are also more supportive of higher tax rates.

Again, figure 8 displays that the difference between treatments becomes smaller for firm-decision makers who do not perceive the fiscal stimulus package to be justified. Using marginal means over treatments, the approval with regard to fiscal stimulus package (items *"Absolutely Justified"* and *"Justified"*) and the revenue change, one can observe that, especially for the corporate tax, income tax and business tax, firm decision-makers in firms with a positive revenue increase, which got the FISCAL treatment and have a positive attitude towards the stimulus package want to mainly increase desired tax rates. Again, we control also for the quadratic revenue change. For corporate tax, income tax and business tax, one also cannot observe a significant difference between treatments when the stimulus package is perceived as unfair. Table 6 shows that the magnitude of the interaction effects is negligible and not significantly different from zero.

6.5 Desired Tax Rates and A□ectedness/Legal Form

In this section we examine if the differences in desired tax levels between firms with different levels of revenue change stay constant for firms liable to different forms of taxes. The finding

Figure 7: Desired Tax Rates and Revenue Change



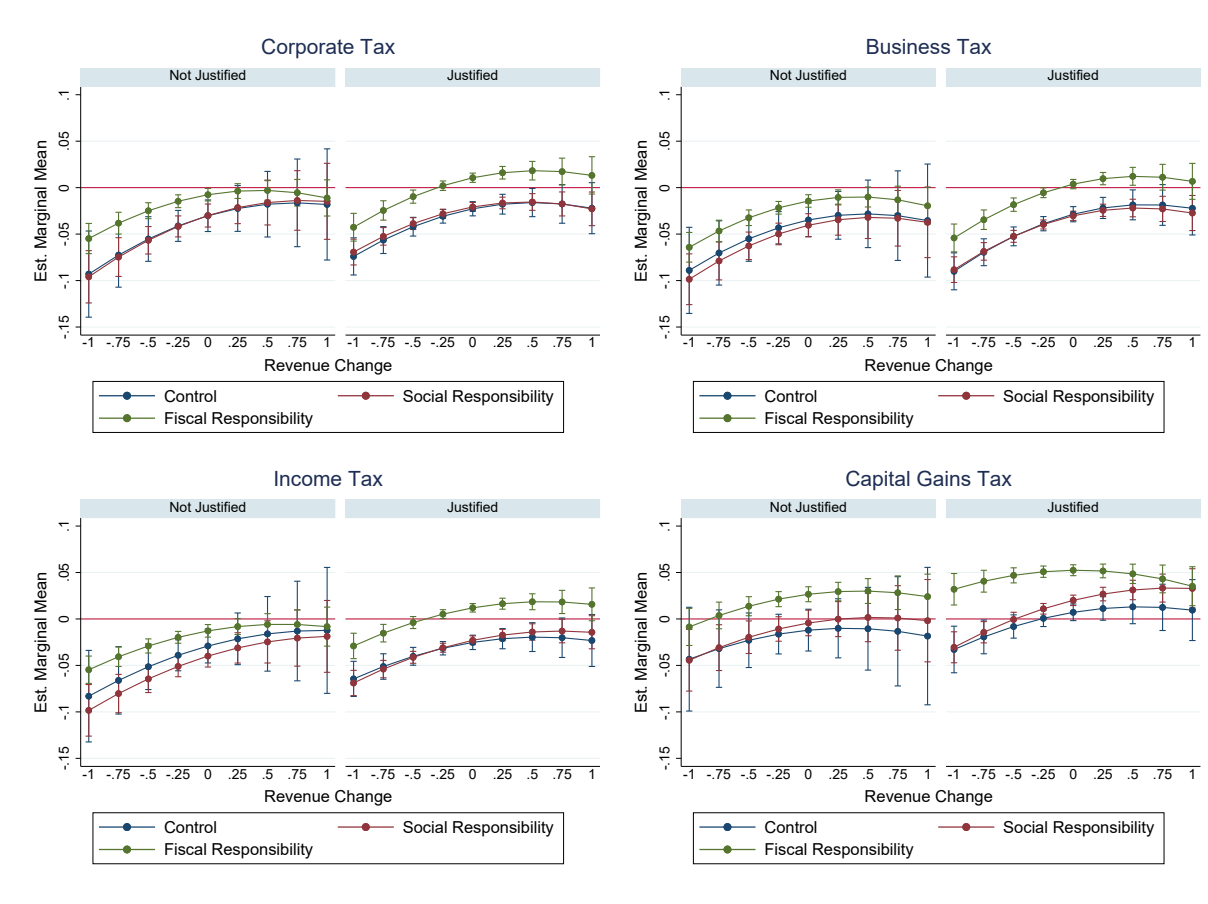
Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility* controlling for the revenue change compared to January 2020. The revenue change is shown on a scale of -100% to 100%. Moreover, we control also for the quadratic revenue change.

Table 5: Desired Tax Rates and Revenue Change

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0474***	-0.0596***	-0.0480***	-0.0079**
	(0.0030)	(0.0030)	(0.0029)	(0.0034)
Social Treatment	0.0034	0.0053	0.0030	0.0060
	(0.0042)	(0.0042)	(0.0042)	(0.0049)
Fiscal Treatment	0.0293***	0.0343***	0.0304***	0.0380***
	(0.0036)	(0.0036)	(0.0035)	(0.0041)
Positive Revenue Change	0.0292***	0.0340***	0.0225***	0.0201***
	(0.0054)	(0.0057)	(0.0055)	(0.0066)
Soc. Treatment × Pos. Rev. Ch.	-0.0087	-0.0128*	-0.0024	-0.0027
	(0.0074)	(0.0078)	(0.0075)	(0.0089)
Fisc. Treatment × Pos. Rev. Ch.	-0.0063	-0.0099	-0.0030	-0.0118
	(0.0063)	(0.0066)	(0.0064)	(0.0077)
Est. M.M.: Fisc. Treat./Pos. Rev.	0.0048	-0.0012	0.0018	0.0384
	(0.0026)	(0.0026)	(0.0026)	(0.0031)
Observations	4835	5166	5170	4901
Adjusted R^2	0.042	0.048	0.039	0.029

Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for a positive or negative revenue change of a firm compared to January 2020. *Positive Revenue Change* is a dummy, which equals *1*, if the respective firm has experienced a positive revenue change, and equals *0*, if the respective firm has experienced a negative revenue change. Robust Standard Errors are in parentheses. Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Figure 8: Desired Tax Rates and Agreement Fiscal Stimulus Package/Revenue Change



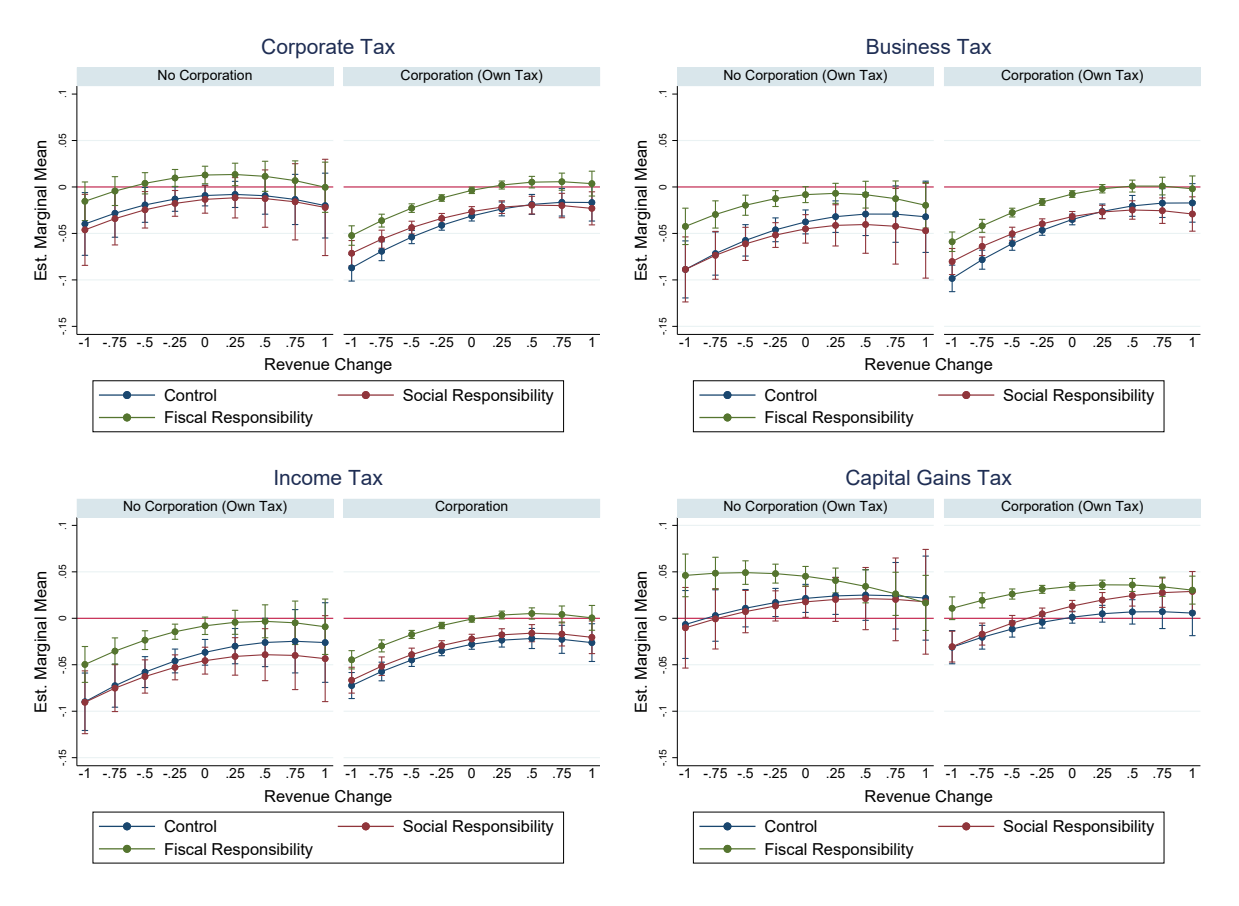
Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility* controlling for the acceptance with regard to the fiscal stimulus package and the revenue change compared to January 2020. The revenue change is shown on a scale of -100% to 100%. *Justified* is a dummy, which equals *1*, if the respective firm has selected item *Absolutely Justified* or item *Justified*, when asked the following survey question: *"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*, and is *0* otherwise. Again, we control also for the quadratic revenue change.

Table 6: Desired Tax Rates and Agreement Fiscal Stimulus Package/Revenue Change

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0528***	-0.0490***	-0.0500***	-0.0334***
	(0.0112)	(0.0115)	(0.0111)	(0.0127)
Social Treatment	-0.0048	-0.0106	-0.0090	0.0167
	(0.0136)	(0.0139)	(0.0135)	(0.0155)
Fiscal Treatment	0.0262**	0.0165	0.0209*	0.0467***
	(0.0121)	(0.0124)	(0.0118)	(0.0138)
Pos. Rev. Change	0.0264	0.0153	0.0341	0.0234
	(0.0207)	(0.0222)	(0.0231)	(0.0276)
Justified	0.0108	-0.0019	0.0097	0.0248*
	(0.0122)	(0.0125)	(0.0120)	(0.0139)
Soc. Treatment × Pos. Rev.	0.0012	0.0021	-0.0147	-0.0208
	(0.0244)	(0.0261)	(0.0266)	(0.0312)
Fisc. Treatment × Pos. Rev.	-0.0018	0.0106	-0.0114	-0.0020
	(0.0216)	(0.0233)	(0.0241)	(0.0289)
Soc. Treatment × Justified	0.0061	0.0086	0.0074	-0.0066
	(0.0147)	(0.0151)	(0.0146)	(0.0169)
Fisc. Treatment × Justified	0.0091	0.0175	0.0172	0.0087
	(0.0134)	(0.0137)	(0.0131)	(0.0154)
Pos. Rev. × Justified	-0.0042	0.0108	-0.0234	-0.0043
	(0.0225)	(0.0241)	(0.0248)	(0.0297)
Soc. Treatment × Pos. Rev. × Just.	-0.0042	-0.0060	0.0239	0.0224
	(0.0265)	(0.0283)	(0.0285)	(0.0337)
Fisc. Treatment × Pos. Rev. × Just.	0.0031	-0.0069	0.0202	-0.0108
	(0.0241)	(0.0258)	(0.0262)	(0.0316)
Est. M.M.: Fisc. Treat./Pos. Rev./Just.	0.0168	0.0129	0.0173	0.0531
	(0.0048)	(0.0045)	(0.0040)	(0.0050)
Observations	2953	3137	3145	2975
Adjusted R^2	0.051	0.051	0.056	0.050

Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for a positive or negative revenue change of a firm compared to January 2020. *Positive Revenue Change* is a dummy, which equals *1*, if the respective firm has experienced a positive revenue change, and equals *0*, if the respective firm has experienced a negative revenue change. *Justified* is a dummy, which equals *1*, if the respective firm has selected item *Absolutely Justified* or item *Justified*, when asked the following survey question:*"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*, and is *0* otherwise. Robust Standard Errors are in parentheses. Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Figure 9: Desired Tax Rates and Legal Form/Revenue Change



Notes: This figure illustrates the estimated marginal means of the desired adjustments of the respective tax rates over the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, controlling for legal form and revenue change compared to January 2020. The revenue change is shown on a scale of -100% to 100%. *Corporation* is a dummy, which equals *1*, if the respective firm has selected legal form *AG* or legal form *GmbH*. The dummy is *0*, if legal form *Einzelunternehmen*, legal form *OHG* or legal form *KG* was selected.

that decision-makers want to reduce taxes they are more liable to prevails. In general, firms more positively affected by the Corona crisis support higher tax rates. Figure 9 controls for the legal form (corporation vs. non-corporation) and how strong the revenues were affected. Again, we also control for the quadratic revenue change. Especially for the corporate tax rate, corporations want a lower overall level over all treatments compared to non-corporations, especially for stronger negative revenue changes. For all other tax rates, we do not observe a significant difference between the different legal types. The only constant evidence is that firm decision-maker in the FISCAL treatment want to pay on average higher taxes compared to CONTROL and SOCIAL group. This is also corroborated by Table 7, where the FISCAL treatment dummy always has a strong significant effect. Moreover, the dummy for corporations mostly seems to support the results previously found in Section 6.2. Moreover, Table 7 shows no differential effects in the desired level of different tax rates for corporation which experienced a positive revenue shock compared to non-corporations which experienced a positive revenue shock. Again the treatments do not affect the desired level of taxes differently for corporations with a positive revenue shock compared to non-corporations with a positive revenue shock.

Table 7: Desired Tax Rates and Legal Form/Revenue Change

	(1) Corporate Tax	(2) Business Tax	(3) Income Tax	(4) Capital Gains Tax
Constant (Baseline Control)	-0.0193**	-0.0567***	-0.0593***	0.0128
	(0.0090)	(0.0085)	(0.0085)	(0.0098)
Social Treatment	-0.0156	-0.0054	-0.0047	-0.0097
	(0.0127)	(0.0119)	(0.0122)	(0.0143)
Fiscal Treatment	0.0217**	0.0373***	0.0353***	0.0356***
	(0.0108)	(0.0101)	(0.0100)	(0.0117)
Pos. Rev. Change	0.0099	0.0234*	0.0267*	0.0055
	(0.0130)	(0.0140)	(0.0145)	(0.0169)
Corporation	-0.0343***	-0.0028	0.0147	-0.0250**
	(0.0097)	(0.0092)	(0.0092)	(0.0106)
Soc. Treatment × Pos. Rev.	0.0065	-0.0292	-0.0156	0.0100
	(0.0215)	(0.0228)	(0.0224)	(0.0265)
Fisc. Treatment × Pos. Rev.	0.0012	-0.0082	-0.0125	-0.0157
	(0.0166)	(0.0167)	(0.0180)	(0.0209)
Soc. Treatment × Corp.	0.0235*	0.0134	0.0094	0.0179
	(0.0136)	(0.0129)	(0.0131)	(0.0155)
Fisc. Treatment × Corp.	0.0093	-0.0055	-0.0075	0.0021
	(0.0116)	(0.0110)	(0.0108)	(0.0127)
Pos. Rev. × Corp.	0.0199	0.0087	-0.0129	0.0143
	(0.0145)	(0.0156)	(0.0159)	(0.0187)
Soc. Treatment × Pos. Rev. × Corp.	-0.0170	0.0178	0.0191	-0.0120
	(0.0232)	(0.0246)	(0.0241)	(0.0285)
Fisc. Treatment × Pos. Rev. × Corp.	-0.0047	0.0047	0.0195	0.0084
	(0.0182)	(0.0185)	(0.0195)	(0.0228)
Est. M.M.: Fisc. Treat./Pos. Rev./Corp.	0.0037	0.0009	0.0039	0.0380
	(0.0030)	(0.0031)	(0.0028)	(0.0036)
Observations	4047	4312	4299	4075
Adjusted R^2	0.049	0.047	0.040	0.031

Note: The table illustrates the results of an OLS regression of the desired adjustments of the respective tax rates on the *Control Group* and the two treatment groups *Fiscal Responsibility* and *Social Responsibility*, accounting for a positive or negative revenue change of a firm compared to January 2020. *Positive Revenue Change* is a dummy, which equals *1*, if the respective firm has experienced a positive revenue change, and equals *0*, if the respective firm has experienced a negative revenue change. *Corporation* is a dummy, which equals *1*, if the respective firm has selected legal form *AG* or legal form *GmbH*. The dummy is *0*, if legal form *Einzelunternehmen*, legal form *OHG* or legal form *KG* was selected. Robust Standard Errors are in parentheses. Significance Levels are: * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

7 Conclusion

Corporate decision makers frequently express their desired tax policy publicly or are in the legislative process involved. The role of large corporations in society is therefore a controversial public policy issue. In this paper, we provide the first evidence on firm decision makers' desired taxes and show which variables can influence these.

We start from the view that the business of business is business and firm decision makers would benefit from lower tax rates. However, in times of the Covid-19 crisis that hit healthy and unhealthy business alike, we would expect to see what we know from individual preferences on redistribution: that fairness concerns play an important role. On the other hand, the sustainability of government finances might be a priority of firm decision makers who might be willing to pay higher taxes in order to reduce government debt. Therefore, we run a large-scale survey experiment to understand how the formation of tax preferences works. We first document that firm decision makers largely agreed with the fiscal stimulus. Second, we show that this changes once we highlight its financing. Third, we show that firm decision makers generally desire to reduce tax rates, except for the capital gains tax, likely to combat inequality. These preferences cannot be altered when making them aware of other struggling firms. However, tax rates are higher in all specifications, when the respondents received the information that taxes eventually may have to be paid back.

Our paper opens up many interesting avenues for future research. To start with, more evidence, both experimental and non-experimental, is needed to better understand how views of corporations affect a range of economic policies in both good and bad economic times. Moreover, our study only scratches the surface of the determinants behind perceptions of representatives of large corporations.

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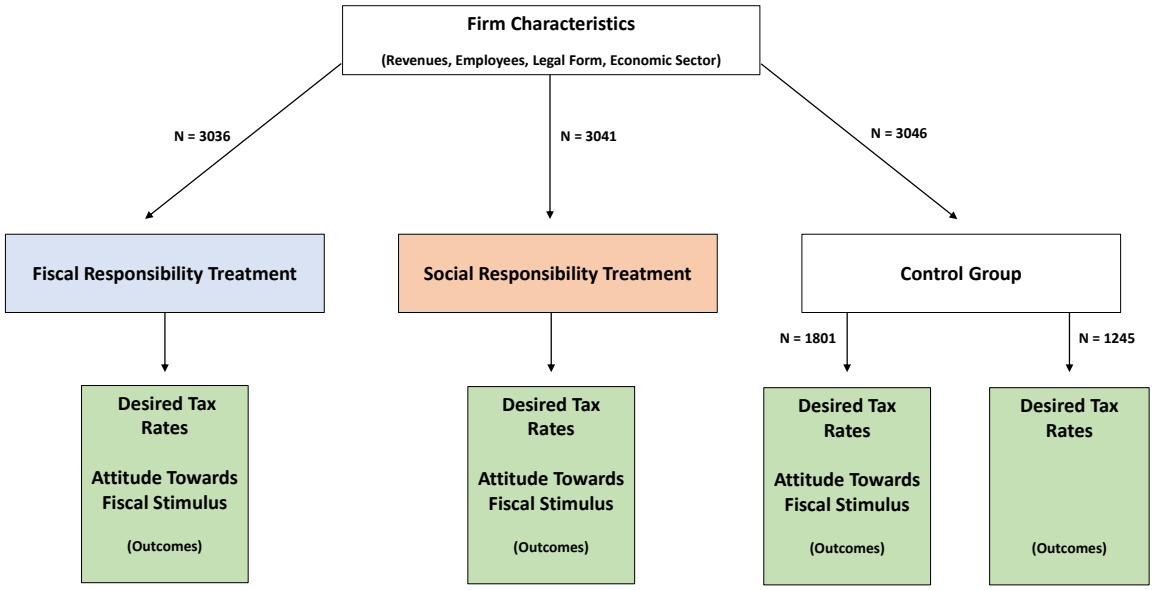
A Appendix

A.1 Figures

Figure 10: Experimental Design



Notes: This figure illustrates the experimental design and the sample sizes associated with each treatment and control group. The details of the design are discussed in Section 3.2.

A.2 Tables

Table 8: Two-Sample Kolmogorov-Smirnov Test: Fiscal Stimulus Package

	Kolmogorov-Smirnov Test
	p-Value
Control vs. Social Responsibility	0.079
Control vs. Fiscal Responsibility	0.000
Social Responsibility vs. Fiscal Responsibility	0.000

Note: Kolmogorov-Smirnov-Test tests if the distribution with respect to the justifiableness of the state intervention differs between *Control Group*, *Social Responsibility Group* and *Fiscal Responsibility Group*.

Table 9: Wilcoxon Rank-Sum Test: Fiscal Stimulus Package

	Wilcoxon Rank-Sum Test
	p-Value
Control vs. Social Responsibility	0.0311
Control vs. Fiscal Responsibility	0.0000
Social Responsibility vs. Fiscal Responsibility	0.0000

Note: Wilcoxon Rank-Sum Test tests the hypothesis that the two independent samples are from populations with the same distribution comparing *Control Group*, *Social Responsibility Group* and *Fiscal Responsibility Group* with respect to the attitude towards the fiscal stimulus package.

Table 10: Nonparametric Equality-Of-Medians Test: Fiscal Stimulus Package

	Nonparametric Equality-Of-Medians Test
	p-Value
Control vs. Social Responsibility	0.010
Control vs. Fiscal Responsibility	0.000
Social Responsibility vs. Fiscal Responsibility	0.000

Note: Nonparametric Equality-Of-Medians Test performs a non-parametric 2-sample test on the equality of medians. It tests the null hypothesis that the 2 samples were drawn from populations with the same median, comparing *Control Group*, *Social Responsibility Group* and *Fiscal Responsibility Group* with respect to the attitude towards the fiscal stimulus package.

Table 11: Descriptive Statistics Desired Tax Rates

	Means and Standard Deviations				t-Tests	
	FISCAL	FISCAL (NQ)	CONTROL	CONTROL (NQ)	FISCAL vs. FISCAL (NQ)	CONTROL vs. CONTROL (NQ)
Firm Characteristics						
Legal Form (categorical)						
Sole proprietorship	0.1137	0.1132	0.1130	0.1247	0.0005	-0.0117
(SD/SE)	(0.3175)	(0.3168)	(0.3167)	(0.3305)	(0.0082)	(0.0120)
Corporations	0.7124	0.6983	0.7068	0.7104	0.0025	-0.0036
(SD/SE)	(0.4527)	(0.4591)	(0.4554)	(0.4538)	(0.0118)	(0.0168)
Business Partnerships	0.1375	0.1531	0.1377	0.1344	-0.0156*	0.0033
(SD/SE)	(0.3444)	(0.3601)	(0.3446)	(0.3412)	(0.0091)	(0.0127)
Other Legal Forms	0.0506	0.0379	0.0425	0.0306	0.0126**	0.0120*
(SD/SE)	(0.2191)	(0.1911)	(0.2019)	(0.1722)	(0.0053)	(0.0068)
Employees (categorical)						
0 - 9	0.6555	0.6750	0.6516	0.6542	-0.0194	-0.0026
(SD/SE)	(0.4753)	(0.4685)	(0.4766)	(0.4758)	(0.0130)	(0.0185)
10 - 49	0.2551	0.2424	0.2533	0.2539	0.0127	-0.0006
(SD/SE)	(0.4360)	(0.4286)	(0.4351)	(0.4354)	(0.0119)	(0.0169)
50 - 249	0.0635	0.0597	0.0708	0.0683	0.0038	0.0024
(SD/SE)	(0.2439)	(0.2369)	(0.2566)	(0.2524)	(0.0066)	(0.0099)
250 and more	0.0259	0.0229	0.0243	0.0255	0.0029	0.0007
(SD/SE)	(0.1587)	(0.1498)	(0.1540)	(0.1576)	(0.0043)	(0.0059)
Revenues (categorical)						
0 - 2 Million	0.7560	0.7706	0.7510	0.7502	-0.0146	0.0008
(SD/SE)	(0.4296)	(0.4205)	(0.4326)	(0.4331)	(0.0111)	(0.0161)
2 Million - 10 Million	0.1588	0.1580	0.1582	0.1739	0.0008	-0.0157
(SD/SE)	(0.3656)	(0.3648)	(0.3650)	(0.3792)	(0.0095)	(0.0139)
10 Million - 50 Million	0.0553	0.0507	0.0628	0.0498	0.0046	0.0130
(SD/SE)	(0.2286)	(0.2195)	(0.2427)	(0.2176)	(0.0058)	(0.0085)
More than 50 million	0.0299	0.0206	0.0280	0.0261	0.0092**	0.0019
(SD/SE)	(0.1702)	(0.1422)	(0.1650)	(0.1596)	(0.0041)	(0.0060)
Revenue Change						
Scale: [-1,1]	-0.1793	-0.1806	-0.1669	-0.1887	0.0013	0.0217
(SD/SE)	(0.4408)	(0.4411)	(0.4379)	(0.4292)	(0.0116)	(0.0164)
Revenue Increase						
Dummy: 0/1	0.2836	0.2746	0.2883	0.2723	0.0090	0.0160
(SD/SE)	(0.4508)	(0.4464)	(0.4531)	(0.4454)	(0.0130)	(0.0187)
Outcome Variables						
Desired Tax Rates						
Corporate Tax (in pp.)	-0.0064	-0.0130	-0.0309	-0.0388	0.0066**	0.0079*
(SD/SE)	(0.0769)	(0.0776)	(0.0849)	(0.0841)	(0.0028)	(0.0044)
Business Tax (in pp.)	-0.0138	-0.0194	-0.0411	-0.0494	0.0057**	0.0083*
(SD/SE)	(0.0794)	(0.0811)	(0.0923)	(0.0890)	(0.0028)	(0.0046)
Income Tax (in pp.)	-0.0057	-0.0143	-0.0338	-0.0390	0.0086***	0.0052
(SD/SE)	(0.0741)	(0.0778)	(0.0879)	(0.0858)	(0.0027)	(0.0044)
Capital Gains Tax (in pp.)	0.0364	0.0281	-0.0044	0.0056	0.0083**	-0.0100**
(SD/SE)	(0.0921)	(0.0919)	(0.0985)	(0.0950)	(0.0033)	(0.0050)

Note: The table illustrates descriptive statistics on firm characteristics and key outcome variables over the different information treatments used in the empirical analysis of the paper. (NQ) means that no question on the attitude towards the fiscal stimulus package was posed. For these groups, only questions on the adjustments of the desired tax rates were asked. Otherwise, there is no difference between the groups FISCAL/FISCAL (NQ) and CONTROL/CONTROL (NQ).

Table 12: Definition of Key Variables

Variable	Definition
Firm Charateristics	
Legal Form	Categorical variable which specifies the German legal form of the respective firm. The variable distinguishes between 18 different legal forms, capturing e.g. *sole proprietorships*, *corporations* and *business partnerships*. The corresponding question in the survey questionnaire asks: *"What is the legal form of your company?"*
Revenues	Categorical variable which specifies the revenue category of the respective firm for yearly revenue in 2019. The variable distinguishes between 14 different revenue categories, ranging from *Less than 50.000 EUR* to *More than 60.000.000 EUR*. The corresponding question in the survey questionnaire asks: *"Which of the following intervals corresponds most closely to the annual revenue of your company in 2019?"*
Revenue Change	The variable captures the extent to which firm revenues have been impacted by the Corona crisis. It indicates by how much percent firm revenues have changed with regard to January 2020. The corresponding question in the survey questionnaire asks: *"To which extent have your monthly revenues been impacted by the Corona crisis? Please indicate, by how much percent this operating figure has changed with respect to the* 31^{st} *of January 2020."*
Employees	Categorical variable which specifies the category of employees of the respective firm. The variable distinguishes between 9 different revenue categories, ranging from *No employees* to *More than 1000 employees*. The corresponding question in the survey questionnaire asks: *"Which of the following intervals corresponds most closely to the number of full-time employees subject to social security that you firm employs?"*
Outcome Variables	
Attitude Fiscal Stimulus Package	The variable captures the attitude towards the fiscal stimulus package on a *5-point Likert scale*, ranging from *Absolutely Not Justified (1)* to *Absolutely Justified (5)*. The corresponding question in the survey questionnaire asks: *"Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?"*
Corporate Tax Adjustment	The variable captures the extent to which firms want to adjust their current *corporate tax rate* in pp., such that the government is able to support firms in future crises. The corresponding question in the survey questionnaire asks: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate so that the government is able to support companies in crises?"*
Business Tax Adjustment	The variable captures the extent to which firms want to adjust their current *business tax rate* in pp., such that the government is able to support firms in future crises. The corresponding question in the survey questionnaire asks: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate so that the government is able to support companies in crises?"*
Income Tax Adjustment	The variable captures the extent to which firms want to adjust their current *income tax rate* in pp., such that the government is able to support firms in future crises. The corresponding question in the survey questionnaire asks: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate so that the government is able to support companies in crises?"*
Capital Gains Adjustment	The variable captures the extent to which firms want to adjust their current *capital gains tax rate* in pp., such that the government is able to support firms in future crises. The corresponding question in the survey questionnaire asks: *"From your company's point of view, by how many percentage points would you want to adjust the following types of taxes based on your current tax rate so that the government is able to support companies in crises?"*

Note: The table illustrates descriptive statistics on firm characteristics and key outcome variables over the different information treatments used in the empirical analysis of the paper.

Table 13: Sample Selection Procedure and Final Sample

Full sample: 16,562 firms	*Eliminated*	*Remaining*
Incomplete Interviews (Survey participants dropped out before the treatment was shown)	4,394	12,168
Distribution of Remaining Sample over Treatments		
Fiscal Responsibility Treatment		3,036
Social Responsibility Treatment		3,041
Control Group		3,046
Extra Treatment Fiscal Responsibility (No question on opinion about fiscal stimulus package shown)		3,045

Note: The table gives a description of the sample selection procedure and final sample used in the empirical analysis.

A.3 Treatments Fiscal Stimulus Package

A.3.1 FISCAL TREATMENT

German Version:

Hintergrundinformation:

Der Bund hat im Rahmen des im Juni beschlossenen Konjunkturprogramms Unterstützung in Höhe von 130 Milliarden Euro zugesagt.

Die erhöhten Staatsausgaben und zusätzlichen Schulden, die im Zuge der Corona-Krise entstanden, könnten künftig höhere Staatseinnahmen oder Ausgabenkürzungen notwendig machen.

Nach der Finanzkrise 2008/2009 wurden beispielsweise in vielen europäischen Ländern die Steuersätze angehoben. Vertreter der CDU haben bereits angekündigt, dass die Schulden, die durch die Corona-Krise angefallen sind, bis 2030 wieder abgebaut werden sollen.

Halten Sie es für gerechtfertigt, dass die Regierung mit diesem Konjunkturpaket auf Kosten der Steuerzahler eingreift?

English Translation:

Background information:

The federal government has pledged support of €130 billion as part of the economic stimulus package adopted in June.

The increased government spending and additional debt incurred in the wake of the Corona crisis could necessitate higher government revenues or spending cuts in the future.

After the 2008/2009 financial crisis, for example, tax rates were raised in many European countries. Representatives of the CDU have already announced that the debt incurred as a result of the Corona crisis will be reduced again by 2030.

Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?

A.3.2 SOCIAL TREATMENT

German Version:

Hintergrundinformation:
Viele Unternehmen sind durch die Corona-Krise unverschuldet in Not geraten, so ist zum Beispiel im Gastgewerbe der Umsatz im Vergleich zum Vorjahresmonat um 75.8 Prozent eingebrochen. Der Bund hat im Rahmen des im Juni beschlossenen Konjunkturprogramms Unterstützung in Höhe von 130 Milliarden Euro zugesagt.

Halten Sie es für gerechtfertigt, dass die Regierung mit diesem Konjunkturpaket auf Kosten der Steuerzahler eingreift?

English Translation:

Background information:
Many companies have experienced hardship through no fault of their own as a result of the Corona crisis, with sales in the hospitality industry, for example, plummeting 75.8 percent compared to the same month last year. The federal government has pledged support of 130 billion euros as part of the economic stimulus package adopted in June.

Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?

A.3.3 CONTROL GROUP

No additional information was displayed to the survey participants. Only the question with regard to their attitude towards the fiscal stimulus package was asked.

German Version:

Halten Sie es für gerechtfertigt, dass die Regierung mit diesem Konjunkturpaket auf Kosten der Steuerzahler eingreift?

English Translation:

Do you think it is justified for the government to intervene with this stimulus package at the taxpayer's expense?