



Small Business Owner Survey

Findings based on a national survey of small business owners

September 2020



Lake Research Partners
Washington, DC | Berkeley, CA | New York, NY
LakeResearch.com
202.776.9066

Alysia Snell
Cate Gormley
Emily Caramelli

Methodology

Lake Research Partners designed and administered this survey that was conducted online nationwide between August 31 – September 16, 2020. The survey reached a total of 600 small business owners with oversamples of 100 Black small business owners, and 100 Latinx or Asian American or Pacific Islander small business owners.

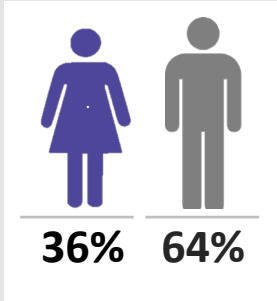
The sample was drawn from an online panel of small business owners and respondents were screened to be the current owner of a small business in the United States, who operates and makes decisions for the business, operates a for profit business, and employs 0-49 employees including themselves and excluding contractors, with a cap of 25% of respondents who employed 1 person before the pandemic and currently employ 1 person.

To ensure the data reflects attributes of the actual population of small business owners in the U.S., the base sample was weighted by gender, region, age, race, and number of employees prior to the COVID-19 pandemic. The sample of Black small business owners was weighted by gender and age. The sample of Latinx and Asian American Pacific Islander small business owners was weighted by gender, region, race, and number of employees prior to the COVID-19 pandemic.

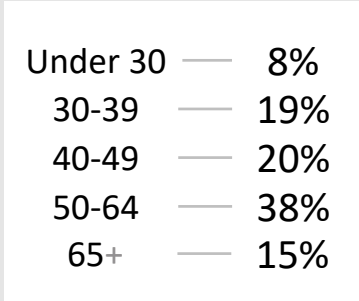
The overall margin of error for the entire sample is +/- 4.0.

Demographics of Small Business Owners

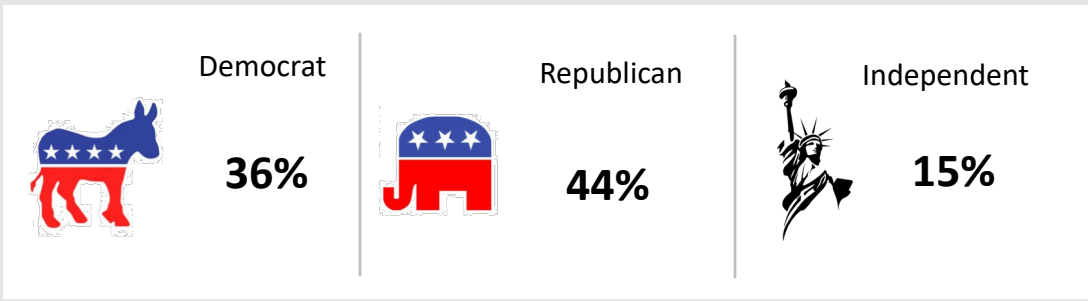
GENDER



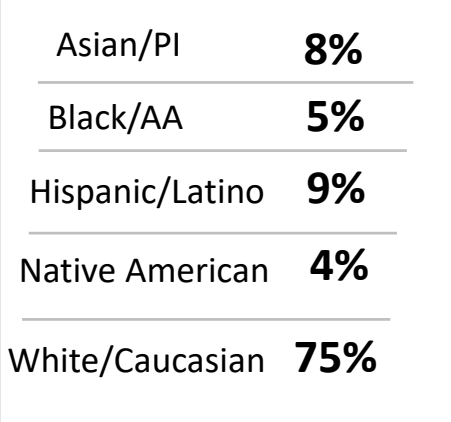
AGE



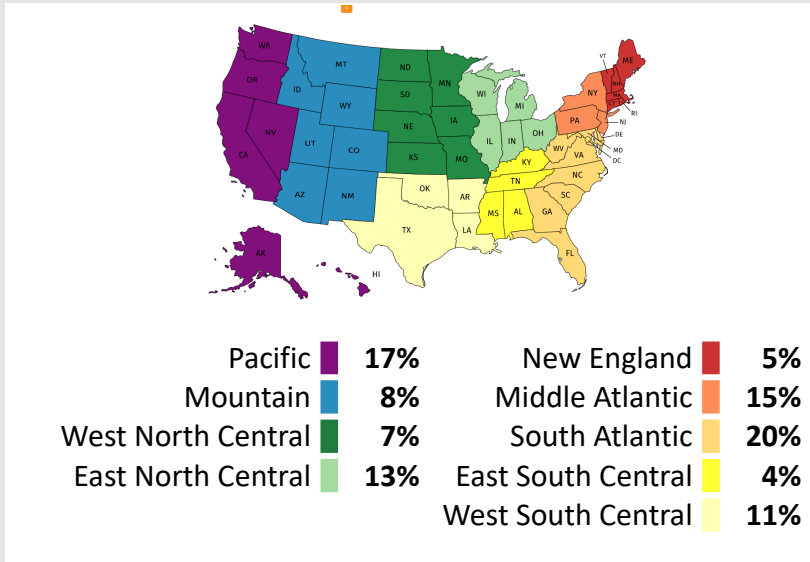
PARTY IDENTIFICATION



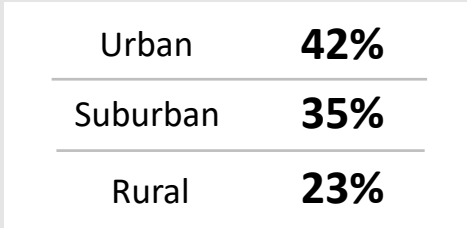
RACE



REGION



URBANICITY



PLACE OF BIRTH



Profiles of Small Businesses

OPERATIONS STATUS

Currently operating	93%
Currently closed	7%

MOBILE BUSINESS

Yes	31%
No	63%

TENURE OF OPERATIONS

Less than 1 year	5%
1-5 years	22%
6-10 years	26%
11-20 years	23%
21-30 years	14%
31 years or more	10%

INDUSTRY

Professional, scientific and technical services	17%
Retail	12%
Construction	11%
Food and beverage	4%
Financial services	5%
Wholesale trade, utilities, transport and warehousing	5%
Information technology	4%
Manufacturing	2%
Health and educational services	5%
Leisure and hospitality	4%
Mining and logging	0%
Agriculture/farming	3%
Childcare	2%
Other care services	4%
Other	21%

APPROX. YEARLY REVENUE

Under \$100K	39%
\$100K to under \$200K	16%
\$200K to under \$500K	16%
\$500K to under \$1M	11%
\$1M to under \$2M	9%
\$2M to under \$10M	5%
\$10M or more	1%

BUSINESS TYPE

Cooperative	3%	S Corp	8%
Sole proprietor	48%	D Corp	0%
Partnership	8%	C Corp	3%
Close corporation	0%	B Corp	0%
LLC	29%		

Key Findings – Multinational Corporations and Tax Information

- About three-quarters of small business owners see the current practice of multinational corporations not disclosing their tax information publicly on a country-by-country basis as a problem, and nearly half say it is a major problem.
 - Across subgroups, owners see this practice as a problem by wide margins.
- By even wider margins, owners see the practice of multinational corporations shifting profits offshore to avoid paying taxes they would otherwise owe as a problem, and two-thirds see it as a major problem.
 - Across subgroups, this practice is universally seen as a problem.

Key Findings – Multinational Corporations and Public Reporting

- Nearly three-quarters of small business owners support, and half strongly support, legislation that requires multinational corporations with annual revenues over \$850 million to publicly report their taxes, profits, revenues, and assets for each country in which they operate.
 - Across subgroups, support for this legislation is robust.
- Small business owners also support legislation that requires multinational corporations with annual revenues over \$100 million to publicly disclose their taxes, profits, revenues, and assets, for each country in which they operate. Three-quarters support this, and over half strongly support it.
 - Again, across subgroups, support for this legislation is solid, with about two-thirds or more of every subgroup supporting it.

Key Findings – Engaged Debate on Disclosing Tax Information

- In an engaged debate, by two-to-one, small business owners side with a statement that supports requiring multinational corporations to disclose their tax information.

Which statement is closer to your opinion even if neither are exactly right?

Requiring multinational corporations to disclose their tax information would benefit small businesses because it is difficult for small businesses to compete with the most profitable corporations when they are able to rig the rules in their favor by not paying their fair share in taxes.

59%

Requiring any business to disclose their tax information is an unnecessary burden and an infringement on companies' rights and privacy, and will harm their businesses because it will make them more vulnerable to competition. We should just enforce the existing laws we already have in place requiring businesses of any size to pay taxes.

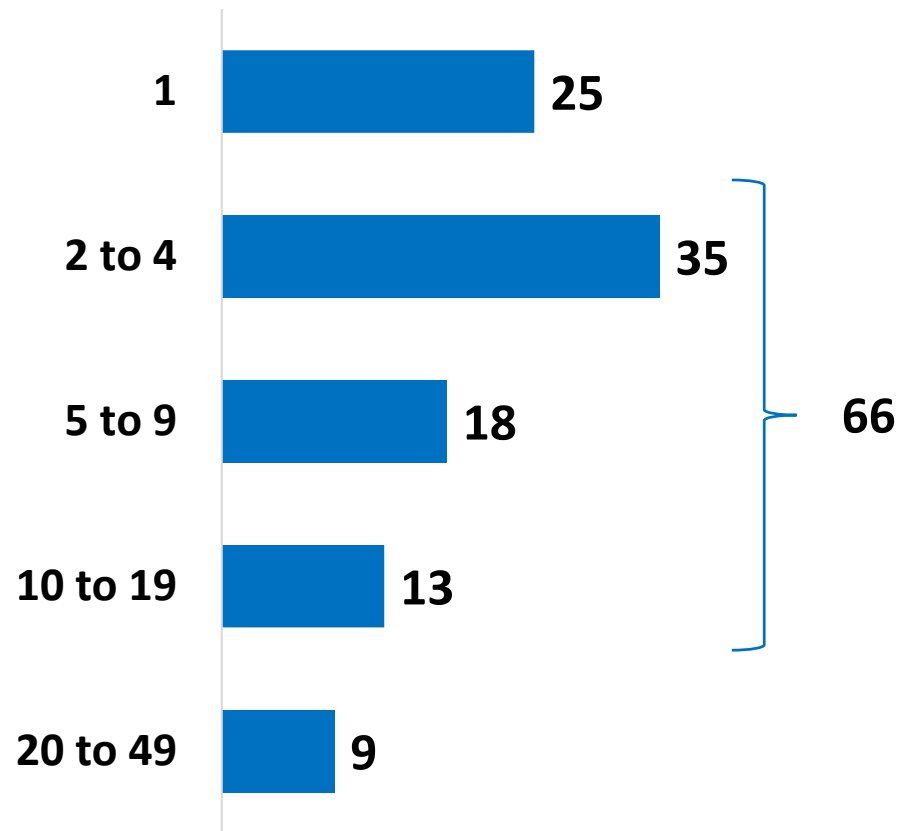
29%

- While owners across subgroups side with the argument that requiring multinational corporations to disclose their tax information would benefit small businesses, Republican and owners younger than 30 are the most aligned with the argument that this would be an unnecessary burden and an infringement on companies' rights and privacy.

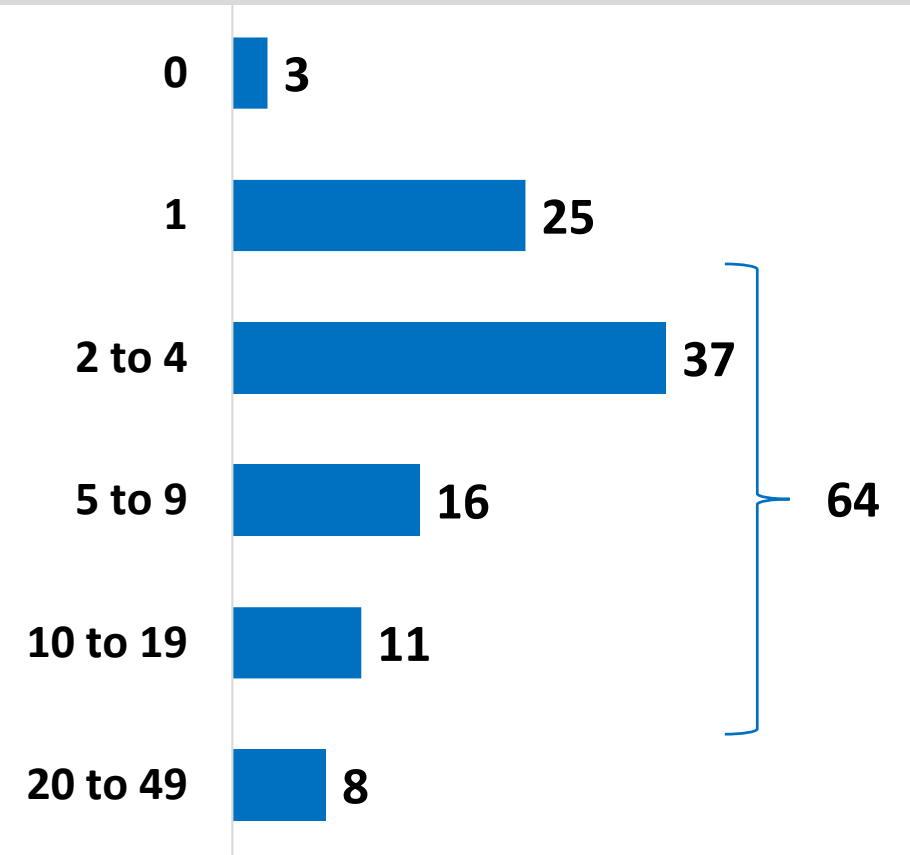
Context

Prior to the COVID-19 pandemic and when the survey fielded, about two-thirds of small business owners employed 2 to 19 people. At the time the survey fielded, three percent of owners employed no one.

Before the COVID-19 pandemic started having major effects in the U.S., approximately how many people worked at your business, including yourself? Please do not include contractors.



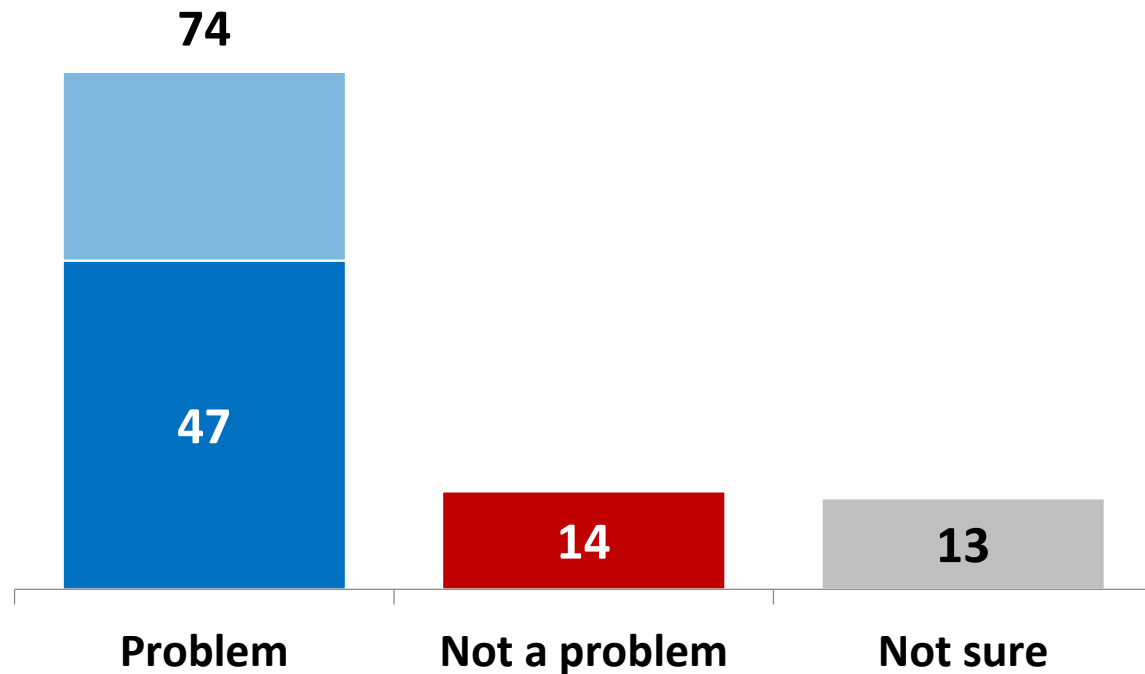
Currently, approximately how many people work or worked at your business, including yourself? Please do not include contractors.



Attitudes toward Multinational Corporations Publicly Disclosing Their Tax Information

About three-quarters of small business owners see the current practice of multinational corporations not disclosing their tax information publicly on a country-by-country basis as a problem, and nearly half say it is a major problem. Across subgroups, owners see this practice as a problem by wide margins.

Do you see the current practice of multinational corporations not disclosing their tax information publicly on a country-by-country basis as a problem or not really?



	Problem (Major + Minor)	Not a Problem	Margin
Men	73	16	+57
Women	74	9	+65
Under 30	76	15	+61
30 to 39	78	7	+71
40 to 49	71	14	+57
50 to 64	71	15	+56
65 and over	72	16	+56
Democrat ID	86	5	+81
Independent ID	71	14	+57
Republican ID	64	21	+43
Self-employed	68	15	+53
2-49 Employees	76	13	+63
Open	74	13	+61
Closed*	58	19	+39
White	71	15	+57
Black	79	9	+71
Latinx	76	13	+64
Asian	86	7	+79

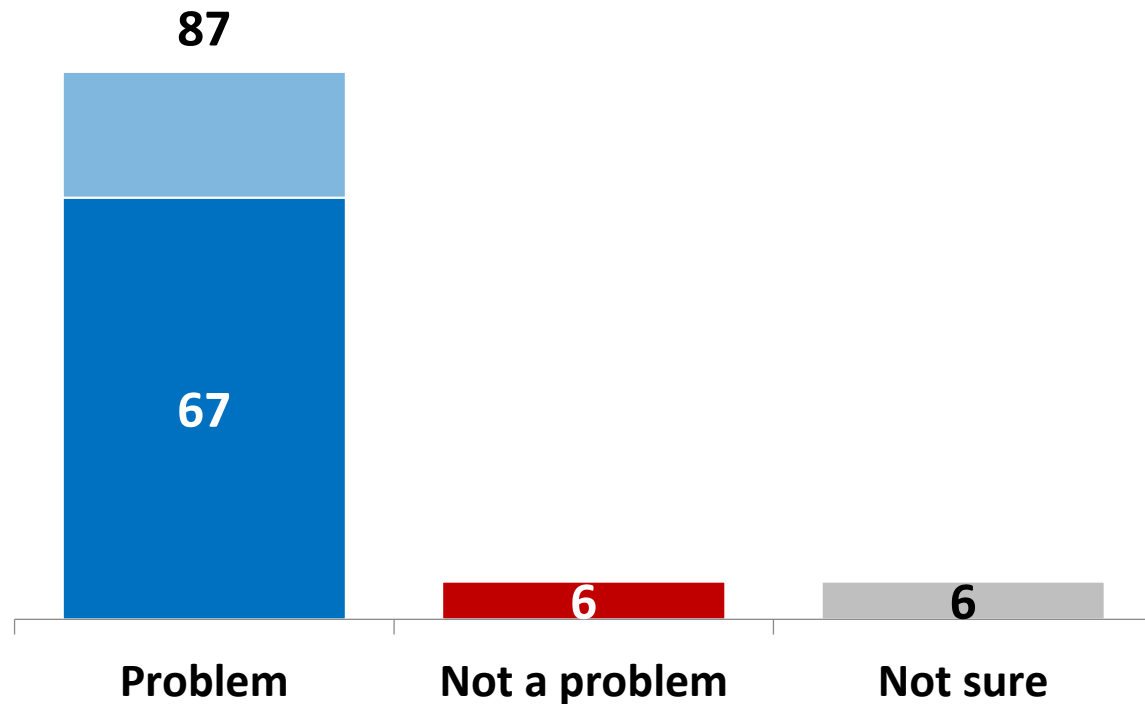
*Note small sample size

Minor problem
Major problem

Not a problem

By even wider margins, owners see the practice of multinational corporations shifting profits offshore to avoid paying taxes they would otherwise owe as a problem, and two-thirds see it as a major problem. Across subgroups, this practice is universally seen as a problem.

Do you see the practice of multinational corporations shifting profits offshore to avoid paying taxes they would otherwise owe as a problem or not really?



	Problem (Major + Minor)	Not a Problem	Margin
Men	86	8	+79
Women	90	3	+86
Under 30	80	13	+68
30 to 39	87	5	+82
40 to 49	85	7	+78
50 to 64	88	6	+82
65 and over	94	1	+93
Democrat ID	96	2	+94
Independent ID	83	6	+77
Republican ID	83	9	+74
Self-employed	88	5	+83
2-49 Employees	88	6	+82
Open	89	5	+83
Closed*	74	14	+60
White	88	6	+82
Black	90	4	+86
Latinx	85	7	+79
Asian	93	2	+91

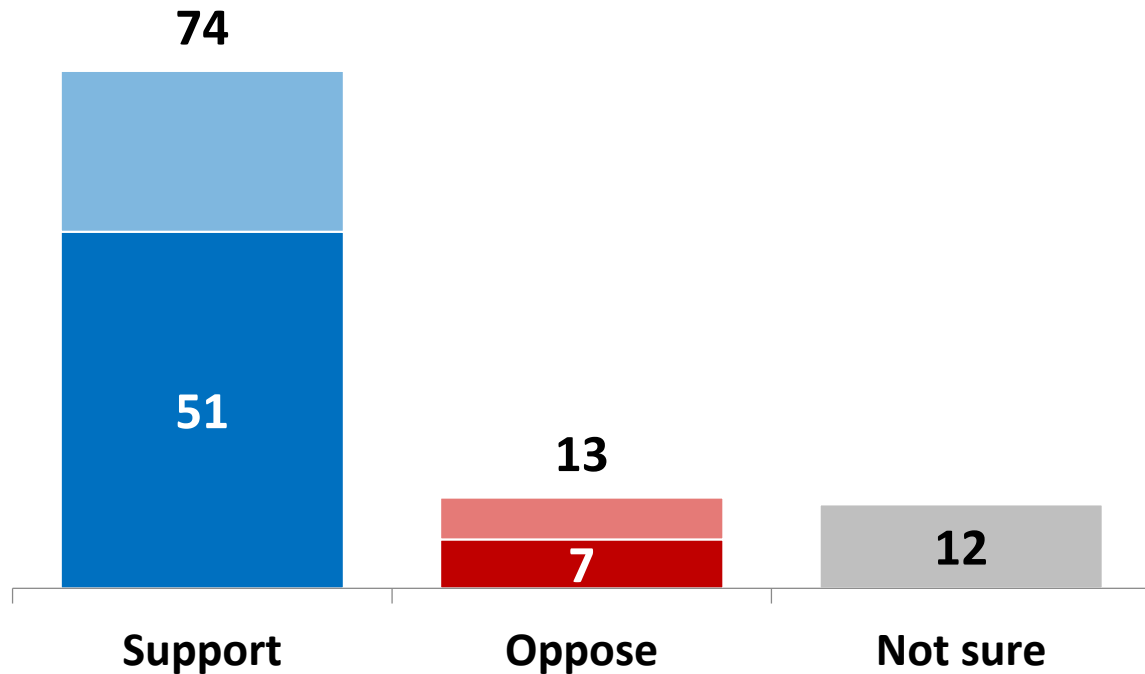
Minor problem
Major problem

Not a problem

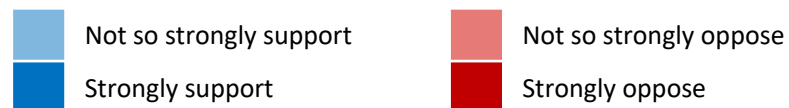
*Note small sample size

Nearly three-quarters of small business owners support, and half strongly support, legislation that requires multinational corporations with annual revenues over \$850 million to publicly report their taxes, profits, revenues, and assets for each country in which they operate. Across subgroups, support for this legislation is robust.

Currently, multinational corporations with annual revenues over \$850 million privately report their taxes, profits, revenues, and assets for each country that they operate in to the IRS. Would you support or oppose legislation that requires this reporting to be public?



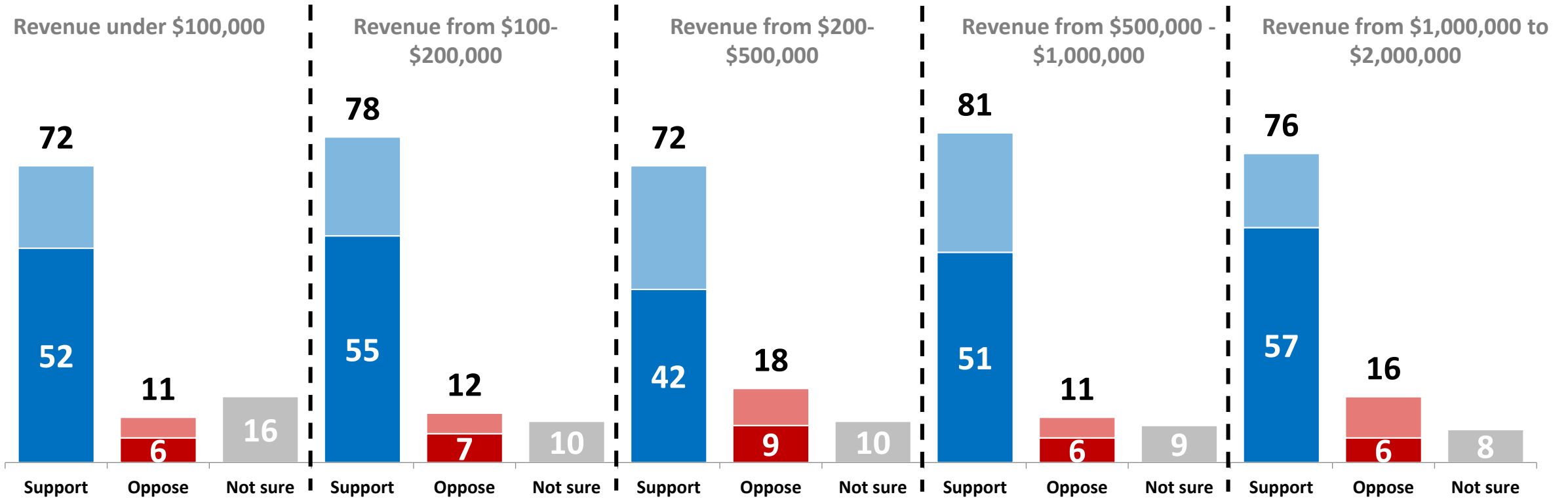
	Support	Oppose	Margin
Men	74	15	+59
Women	75	9	+66
Under 30	74	21	+52
30 to 39	82	4	+78
40 to 49	70	14	+55
50 to 64	72	14	+58
65 and over	77	16	+61
Democrat ID	89	5	+84
Independent ID	68	13	+55
Republican ID	67	19	+48
Self-employed	72	12	+60
2-49 Employees	76	13	+63
Open	75	13	+62
Closed*	65	16	+49
White	74	14	+60
Black	77	10	+67
Latinx	79	11	+68
Asian	72	6	+65



*Note small sample size

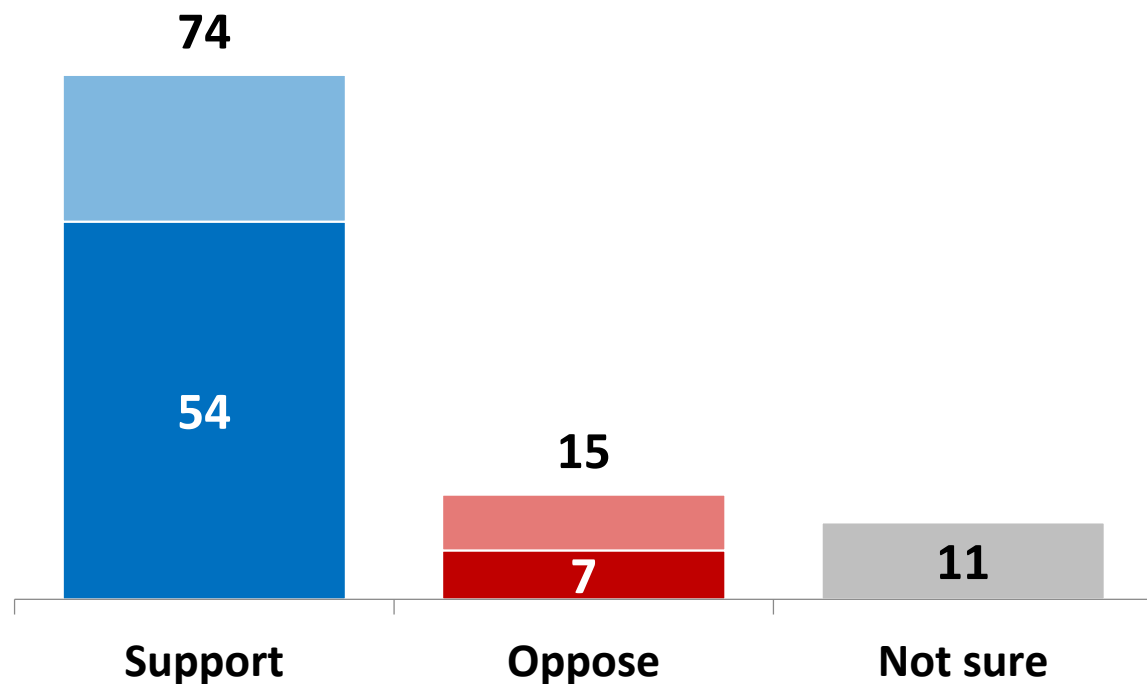
Their company's annual revenue does not impact small business owners' support of legislation that requires multinational corporations with annual revenues over \$850 million to report tax information publicly for each country in which they operate.

Currently, multinational corporations with annual revenues over \$850 million privately report their taxes, profits, revenues, and assets for each country that they operate in to the IRS. Would you support or oppose legislation that requires this reporting to be public?

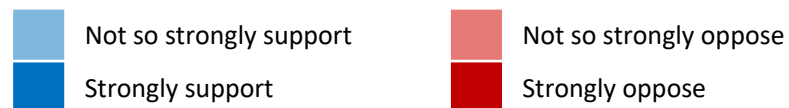


Small business owners also support legislation that requires multinational corporations with annual revenues over \$100 million to publicly disclose their taxes, profits, revenues, and assets, for each country in which they operate. Three-quarters support this, and over half strongly support it. Again, across subgroups, support for this legislation is solid, with about two-thirds or more of every subgroup supporting it.

And would you support or oppose legislation that requires multinational corporations with annual revenues over \$100 million to publicly disclose their taxes, profits, revenues, and assets, for each country in which they operate?



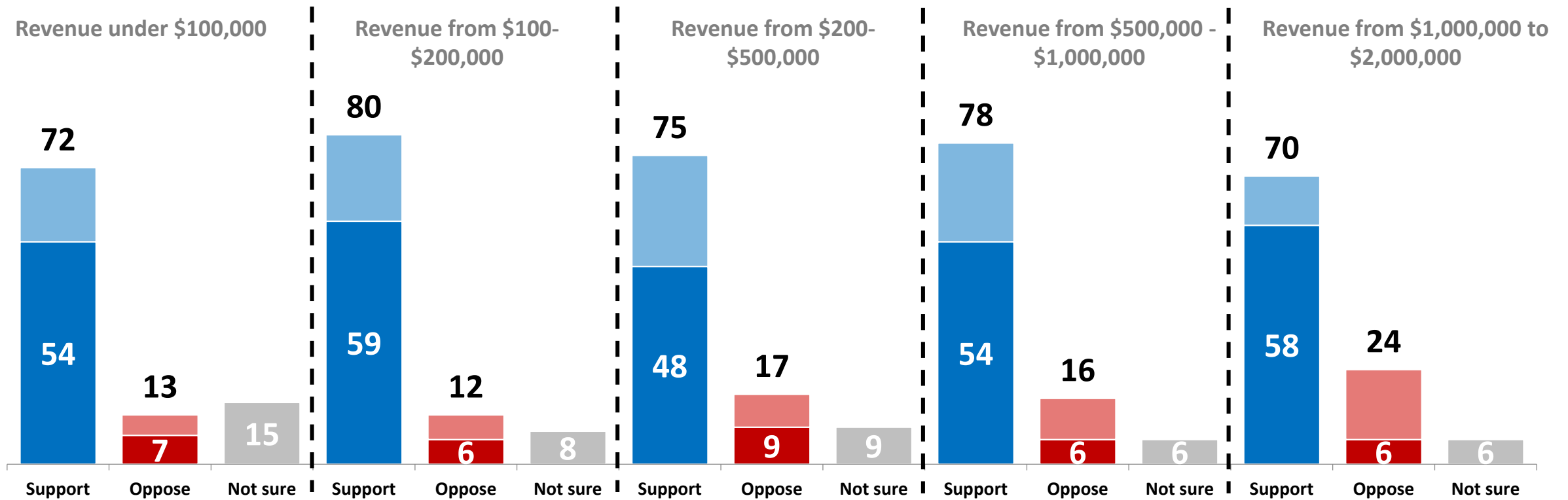
	Support	Oppose	Margin
Men	74	16	+57
Women	75	12	+63
Under 30	68	25	+43
30 to 39	78	9	+69
40 to 49	65	21	+45
50 to 64	76	13	+63
65 and over	79	14	+65
Democrat ID	87	8	+79
Independent ID	68	16	+52
Republican ID	67	20	+48
Self-employed	74	12	+62
2-49 Employees	74	16	+58
Open	75	15	+60
Closed*	64	21	+43
White	74	15	+58
Black	71	19	+52
Latinx	75	17	+58
Asian	76	7	+69



*Note small sample size

Similarly, small business owners across a range of business revenues support legislation that requires multinational corporations with annual revenues over \$100 million to publicly disclose their taxes, profits, revenues, and assets, for each country in which they operate.

And would you support or oppose legislation that requires multinational corporations with annual revenues over \$100 million to publicly disclose their taxes, profits, revenues, and assets, for each country in which they operate?



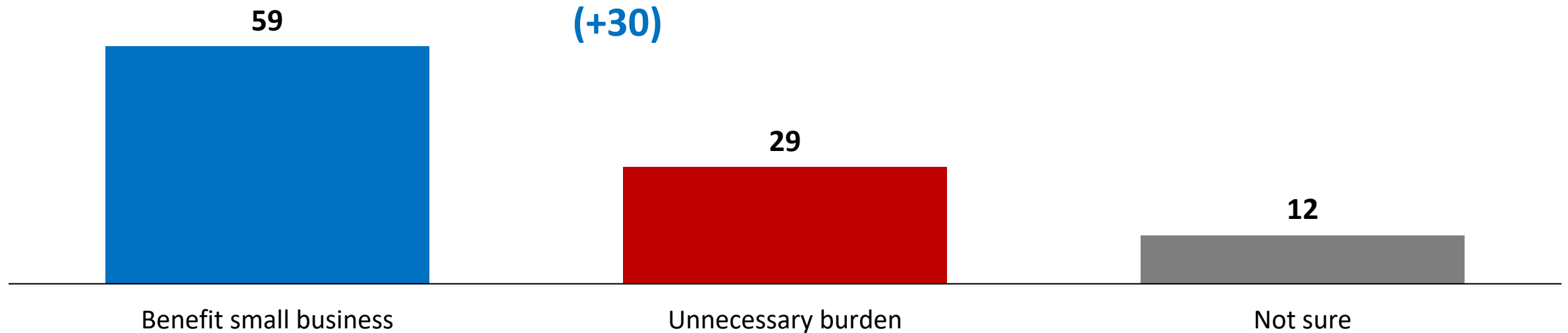
■ Not so strongly support
■ Strongly support
■ Not so strongly oppose
■ Strongly oppose

In an engaged debate, by two-to-one, owners side with a statement that supports requiring multinational corporations to disclose their tax information.

Which statement is closer to your opinion even if neither are exactly right?

Requiring multinational corporations to disclose their tax information would benefit small businesses because it is difficult for small businesses to compete with the most profitable corporations when they are able to rig the rules in their favor by not paying their fair share in taxes.

Requiring any business to disclose their tax information is an unnecessary burden and an infringement on companies' rights and privacy, and will harm their businesses because it will make them more vulnerable to competition. We should just enforce the existing laws we already have in place requiring businesses of any size to pay taxes.

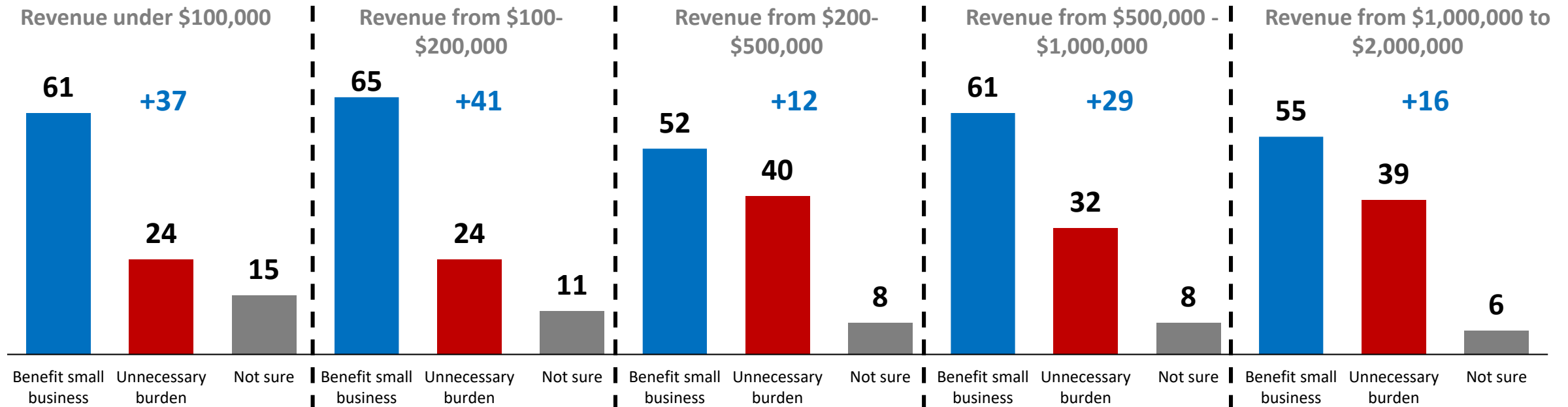


Small business owners side with a statement that supports requiring multinational corporations to disclose their tax information no matter their company's annual revenue.

Which statement is closer to your opinion even if neither are exactly right?

Requiring multinational corporations to disclose their tax information would benefit small businesses because it is difficult for small businesses to compete with the most profitable corporations when they are able to rig the rules in their favor by not paying their fair share in taxes.

Requiring any business to disclose their tax information is an unnecessary burden and an infringement on companies' rights and privacy, and will harm their businesses because it will make them more vulnerable to competition. We should just enforce the existing laws we already have in place requiring businesses of any size to pay taxes.



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	Benefit small business	Unnecessary burden	Margin
Men	57	32	+25
Women	62	23	+39
Under 30	51	42	+9
30 to 39	59	27	+32
40 to 49	55	34	+21
50 to 64	60	25	+35
65 and over	65	27	+38
Democrat ID	78	15	+62
Independent ID	56	29	+27
Republican ID	45	40	+5
Self-employed	58	23	+35
2-49 Employees	59	31	+28
Open	59	29	+30
Closed	58	28	+29
White	58	29	+29
Black	61	29	+32
Latinx	57	29	+28
Asian	59	30	+29

LRP LAKE RESEARCH PARTNERS

Strategy · Precision · Impact



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LakeResearch.com

202.776.9066

Alysia Snell

asnell@lakeresearch.com

Cate Gormley

cgormley@lakeresearch.com

Emily Caramelli

ecaramelli@lakeresearch.com