

Tobacco Double Duty Drawback

June 20, 2025

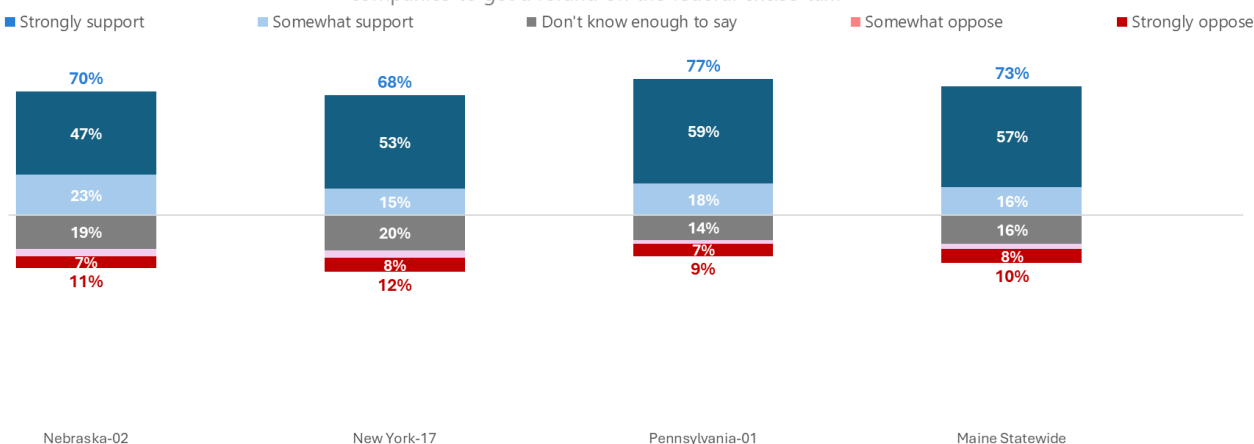
Axis Research completed polling over the past week in the following swing districts/states to understand voters' attitudes towards closing the tax loophole that allows foreign tobacco companies to get a refund on the federal excise tax. These districts are critical to Republican majorities in 2026.

	2024 Presidential Result	Sample Size	Dates Fielded
Nebraska-02	Harris +5	N=303 RVs	6/15-6/18
New York-17	Harris +1	N=308 RVs	6/15-6/18
Pennsylvania-01	Harris +1	N=307 RVs	6/15-6/17
Maine Statewide	Harris +7	N=503 RVs	6/15-6/19

Overwhelming Voter Support For Closing The Existing Loophole

In each state, the findings were clear. Voters quickly understand the issue, voters overwhelmingly support closing the loophole, and there are no partisan splits dividing this issue; closing the loophole is a winning issue in each district/state among Republicans, Independents, and Democrats. As illustrated below, **super majorities support closing the tax loophole, even before any messaging is delivered**. This includes a majority or near majority who **strongly** support closing the tax loophole.

Switching topics, there's an issue before Congress that involves a tax loophole permitting foreign tobacco companies to get a refund on the federal excise tax, allowing them to erase their excise tax liability. American tobacco companies get no refund and still have to pay the tax. Do you support or oppose Congress closing this tax loophole that allows foreign tobacco companies to get a refund on the federal excise tax?



This truly is a cut-and-dried issue to voters. When asked why they supported closing the tax loophole, in their own words, respondents repeatedly came back to the issues of “fairness” and “opposing foreign advantages.” A sample of those responses is below.

- *“Everybody should pay their fair share.”* Man, Independent, 40-49 years old.
- *“If we are trying to balance the budget. [sic] We have no business giving a foreign company a tax refund.”* Woman, Independent, 60-64 years old
- *“I don't think other countries should get away with not paying tax when we have to and I want American companies to thrive.”* Man, Libertarian, 30-39 years old.
- *“If we have to pay then everybody has to pay.”* Woman, Republican, 50-59 years old.

As shown in the comments above, this is a bipartisan issue as well. Support for closing the loophole by partisanship for each state is detailed below. The only real difference is there is great intensity (*strong support*) among Republican voters.

	Republicans	Independents	Democrats
Nebraska-02	75%	75%	58%
New York-17	66%	73%	65%
Pennsylvania-01	82%	76%	72%
Maine Statewide	79%	74%	68%

As would be expected, all messages in support of closing the tax loophole test very well (50%+ in strong agreement). Messages in opposition of closing the tax loophole (including arguments centering on cross-border commerce, foreign investment in the U.S., and a hidden tax increase) fall flat. This reinforces that there is little confusion for votes on this issue – attitudes are baked in upon first hearing of the provision.

All surveys were administered through a mixed-mode methodology of live interviews via cell phone, live interviews via landline, and text-to-web interview. Respondents are distributed proportionate to the population of each district/state in terms of gender, ethnicity, partisan affiliation and region. All respondents were verified to be registered voters.