



The Beacon Hill Institute for  
Public Policy Research

# News Release

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## ***BHI: 33% believe Fidelity move was due to Massachusetts taxes***

(BOSTON) – A plurality of Massachusetts registered voters believes that Fidelity’s recent decision to move approximately 1,000 jobs out of the Bay State was based on the Commonwealth’s high business taxes according to a poll prepared for the Beacon Hill Institute and released today. Thirty-three percent (33%) said they thought taxes were at the center of the decision, yet 19% maintained that the choice was “strictly a business decision” while 16% believed that Fidelity found other states as a more attractive place to do business. Fourteen (14%) of those polled were undecided and 12% thought there was some other reason for the decision. Only 5% blamed regulation.

Last month Boston-based Fidelity Investments announced plans to close its Marlborough operations and move as many as 1,100 workers to two out-of-state facilities in New Hampshire and Rhode Island. The move re-ignited a debate about targeted tax cuts for specific industries. In the mid- 1990s Fidelity received tax breaks in exchange for pledges to retain jobs in Massachusetts. Late last month the legislature held hearings to examine the effectiveness of such tax policies at a hearing attended by Fidelity executives.

Republicans (42%) were more likely to believe taxes are the major reason than Independents (35%) and Democrats (27%). Forty-five (45%) of the voters from Suffolk County, where Fidelity is headquartered, believed that taxes were a factor. Meanwhile in the Worcester area where the affected jobs are located, 38% believed taxes were a factor.

Younger voters (18-24) were likely to believe that “other states are more attractive.” Women (39%) believed taxes were the major cause when compared with men (27%).

In its 2011 State Business Tax Climate Index published annually by the Washington D.C.-based Tax Foundation ranked Massachusetts 32<sup>nd</sup> in the ability to attract business. Other measures such as the Institute’s own *State Competitiveness Index* often rank Massachusetts in the top five states in the ability to promote economic growth.

“There will always be a debate over the appropriate level of business taxation in the Commonwealth,” says David G. Tuerck, executive director of the Institute. “But a significant number of voters think the state’s business taxes get in the way of keeping jobs here even though Massachusetts is very competitive in other areas.”

The BHI poll contacted 500 registered voters in Massachusetts over April 3 through April 5. The poll has a margin of error of +/- 4.4%. The poll was conducted by the Suffolk University Political Research Center is available at [www.suffolk.edu](http://www.suffolk.edu).