

## **Executive Summary**

In 2022, Massachusetts voters passed a ballot measure instituting an income surtax for those earning more than \$1 million annually.

Following its implementation in 2023, Massachusetts has accelerated an already-concerning trend: the state is experiencing net outmigration of its residents to states like Florida and New Hampshire, which have less burdensome tax laws and business regulation environments. While the state is seeing the highest-earners leave, making up the majority share of outgoing taxable income, residents across income levels are also moving out.<sup>1</sup>

Most recently, reports by U-Haul and United Van Lines found Massachusetts was one of the states with the most one-way trips out-of-state.<sup>2</sup>

In order to better understand the circumstances surrounding this trend, Mass Opportunity Alliance surveyed former Massachusetts residents that have since relocated to Florida or New Hampshire. The results were shocking:

- Two-thirds of those who moved said Massachusetts' high cost of living (e.g. housing, taxes, groceries) was a primary factor causing them to leave the state.
- Tax policy was the most-cited factor causing respondents to leave Massachusetts (70.7 percent selected).
- It's not just retirees leaving: The large majority of those who left Massachusetts were employed full-time or self-employed before moving (69.1 percent).
- Tax concerns spanned all income brackets: 56.6 percent of all respondents citing taxes as a reason for leaving Massachusetts were those earning less than \$100,000 annually.
- Tax concerns also spanned political affiliation: 83.1 percent of Republicans, 73.0 percent of Independents and 49.4 percent of Democrats said taxes were a factor that drove them out of the state.
- Those earning more than \$1 million made up 3 percent of all Massachusetts residents relocating to Florida or New Hampshire. That is a disproportionately large share, considering less than 1 percent of Massachusetts' tax filers earn over \$1 million.<sup>3</sup>
- A vast majority of respondents (83.7 percent) said their current quality of life is better than it was in Massachusetts.

<sup>1 &</sup>quot;Fact Check: MassBudget and Policy Center Gets it Wrong on Outmigration," Mass Opportunity Alliance, September 25, 2024: https://

mass opport unity.org/content/blog/fact-check-mass-budget-and-policy-center-gets-it-wrong-on-out migration/

<sup>2 &</sup>quot;Fact Check: Outbound Moves Threatening Massachusetts' Economic Future," Mass Opportunity Alliance, January 10, 2025: https://

massopportunity.org/content/blog/fact-check-outbound-moves-threatening-massachusetts-economic-future/

<sup>3</sup> West, Ty, "The number of \$1M earners is surging. Here's how growth in Massachusetts compares," Boston Business Journal, January 12, 2023:

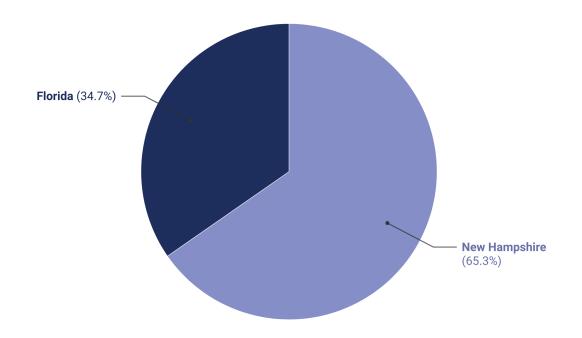
https://www.bizjournals.com/boston/news/2023/01/12/heres-how-many-1m-earners-your-state-added-in-2020.html

## About the Survey

Mass Opportunity Alliance surveyed 498 former Massachusetts residents who now live in Florida or New Hampshire (based on their voter registration) in January 2025.

The survey was conducted via text message by an independent survey research firm, using voter registration data to identify people who used to live in Massachusetts but recently moved to Florida or New Hampshire. This includes individuals who were registered to vote in Massachusetts as of November 2022, and then registered in their new state for the November 2024 election. The survey asked about participant demographics as well as reasons for moving out of the Commonwealth.

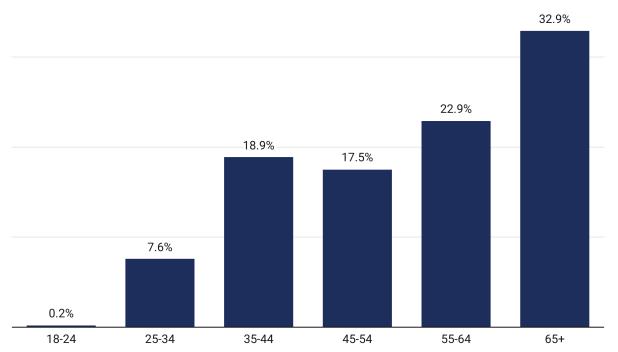
Of this sample, 35 percent of respondents relocated to Florida, and 65 percent relocated to New Hampshire.



#### PERCENT OF RESPONDENTS BY RELOCATION STATE

### **Relocation by Age**

While the age group most likely to relocate were those 65 and older (32.9 percent), the group of those relocating from Massachusetts spanned age categories: 7.8 percent were 18–34 years old, 18.9 percent were 35–44 years old, 17.5 percent were 45–54 years old, and 22.9 percent were 55–64 years old.

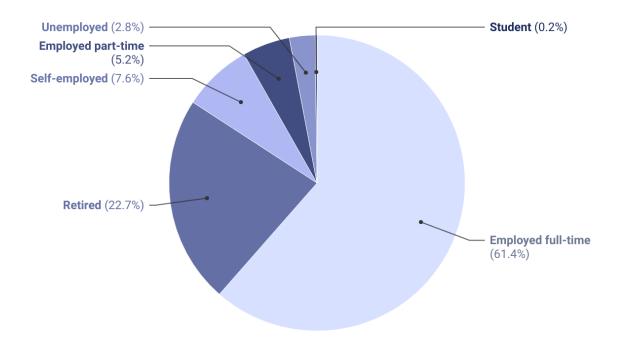


#### **RESPONDENTS BY AGE**

### **Relocation by Employment Status**

The large majority of those moving out of Massachusetts were employed full-time or selfemployed before moving (69.1 percent). Another 5.2 percent were previously employed part-time.

Retirees accounted for 22.7 percent of all those moving out of Massachusetts.

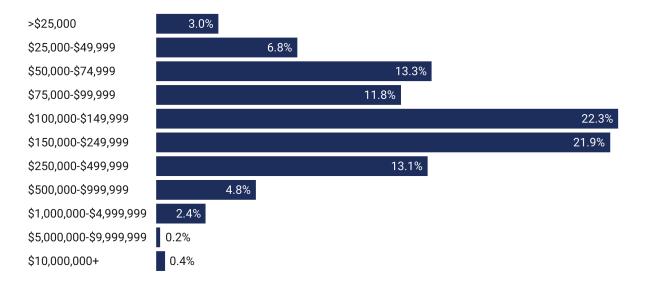




### **Relocation by Income Bracket**

Those leaving Massachusetts for Florida or New Hampshire spanned across income brackets. One third of those relocating earned less than \$100,000 annually. The largest group of relocators were those earning between \$100,000 and \$150,000 annually (22.3 percent).

Those earning more than \$1 million made up just 3 percent of all Massachusetts residents relocating to Florida or New Hampshire.

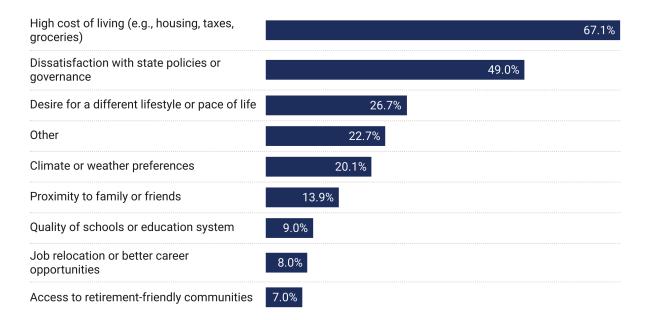


#### PERCENT OF RESPONDENTS BY HOUSEHOLD INCOME

### **Primary Reasons for Leaving Massachusetts**

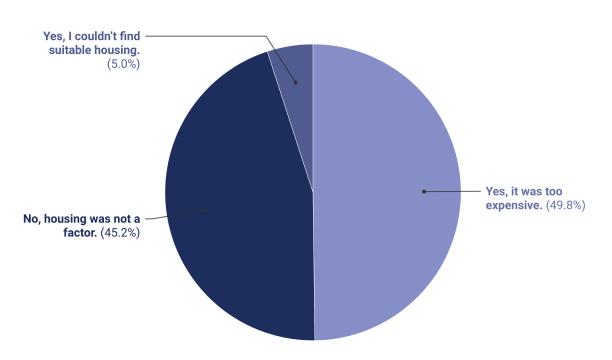
Two-thirds of those who left said Massachusetts' high cost of living (e.g. housing, taxes, groceries) was a factor causing them to leave the state. The next highest reason for leaving was dissatisfaction with state policies or governance, which roughly half of respondents selected.

### REASONS RESPONDENTS GAVE FOR LEAVING MASSACHUSETTS



### Influence of Massachusetts Housing Market on Decision to Leave

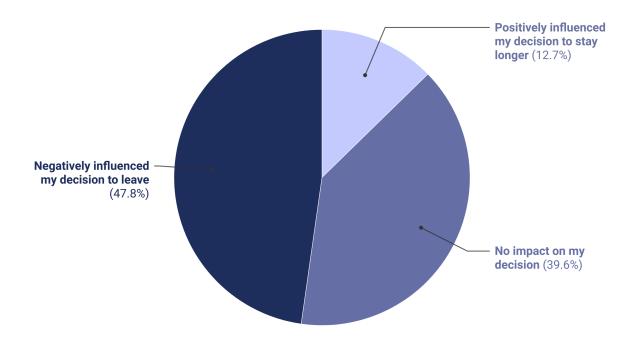
Nearly half of respondents (49.8 percent) said housing was too expensive, and it was a factor that affected their decision to relocate out of Massachusetts. Another 5 percent said they could not find suitable housing in Massachusetts.



### DID THE HOUSING MARKET FACTOR INTO YOUR DECISION TO LEAVE MASSACHUSETTS?

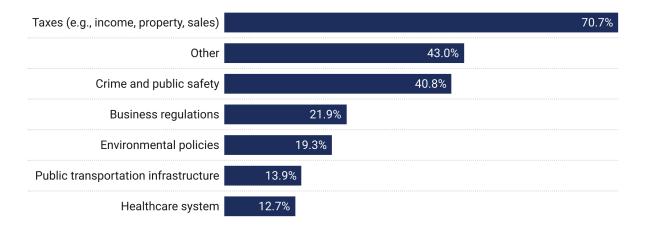
### Influence of Massachusetts' State Policies on Decision to Leave

Nearly half of respondents (47.8 percent) said Massachusetts' state policies negatively influenced their decision to leave.



HOW DID MASSACHUSETTS' STATE POLICIES IMPACT YOUR DECISION TO LEAVE?

In terms of policies that drove Massachusetts residents away, the large majority (70.7 percent) said taxes were a negative factor. A large cohort (40.8 percent) said crime and public safety were a factor in their decision to leave. Another 21.9 percent said business regulations were a negative factor.

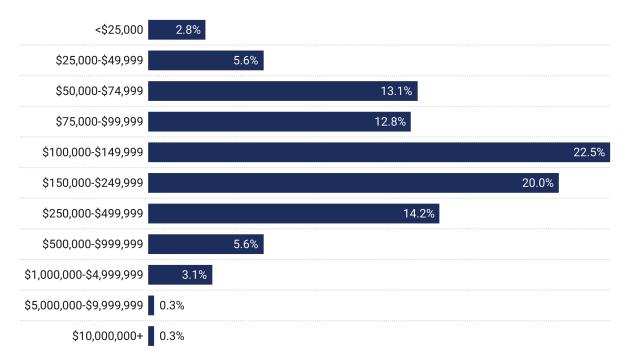


#### WHICH SPECIFIC POLICIES OR ISSUES INFLUENCED YOUR DECISION?

Taxes were a concern across income brackets.

In fact, 56.6 percent of all respondents citing taxes as a reason for leaving Massachusetts were those earning less than \$150,000 annually.

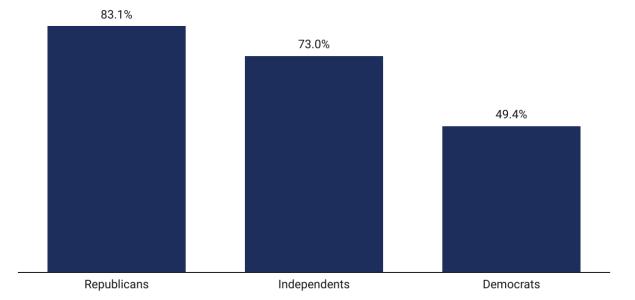
Those earning more than \$1 million annually only made up 3.6 percent of all those saying taxes were a reason for leaving the state.



### PERCENT OF RESPONDENTS CITING TAXES AS A REASON FOR LEAVING MASSACHUSETTS, BY HOUSEHOLD INCOME

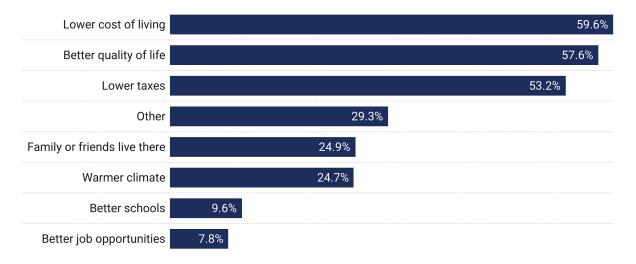
Taxes were also a broad concern across party affiliation. While 83.1 percent of Republicans cited taxes as a factor that drove them out of state, 73.0 percent of Independents and 49.4 percent of Democrats said the same.





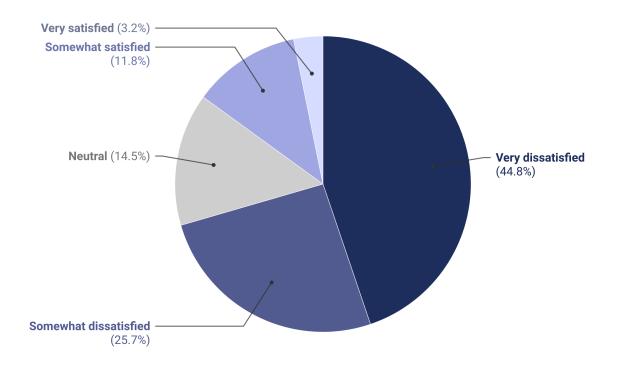
### **Reasons for Choosing New State**

For former Massachusetts residents, the top reasons for leaving Massachusetts included lower cost of living, better quality of life, and lower taxes in their new state of Florida or New Hampshire.



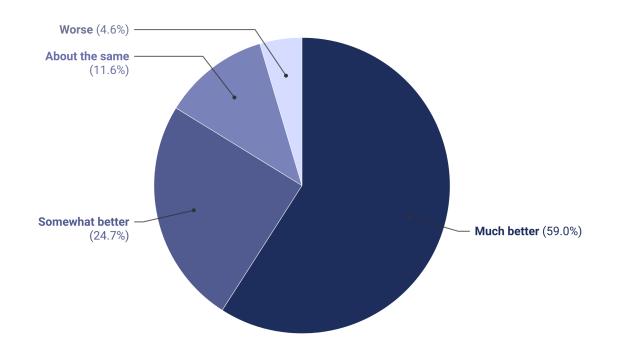
#### WHY DID YOU CHOOSE YOUR NEW STATE?

The majority of respondents (70.5 percent) said they were at least somewhat dissatisfied with Massachusetts' high cost of living.





A vast majority of respondents (83.7 percent) said their current quality of life is better than it was in Massachusetts.



#### HOW DOES YOUR QUALITY OF LIFE IN YOUR NEW STATE COMPARE TO MASSACHUSETTS?

# About Mass Opportunity Alliance

Mass Opportunity Alliance (MOA) is a 501(c)(6) organization formed by three organizations: Massachusetts High Technology Council, Pioneer Institute, and Massachusetts Competitive Partnership.

At MOA, we believe a strong business climate means a better quality of life for all. Our mission is to defend and strengthen the Massachusetts business climate, ensure long-term economic success and prosperity, promote social mobility, and enhance economic opportunities for all in the Commonwealth.

Learn more at MassOpportunity.org.