

FAIR TAX FOR ILLINOIS

FAIR
TAX
NOW

Responsible
Budget
Coalition

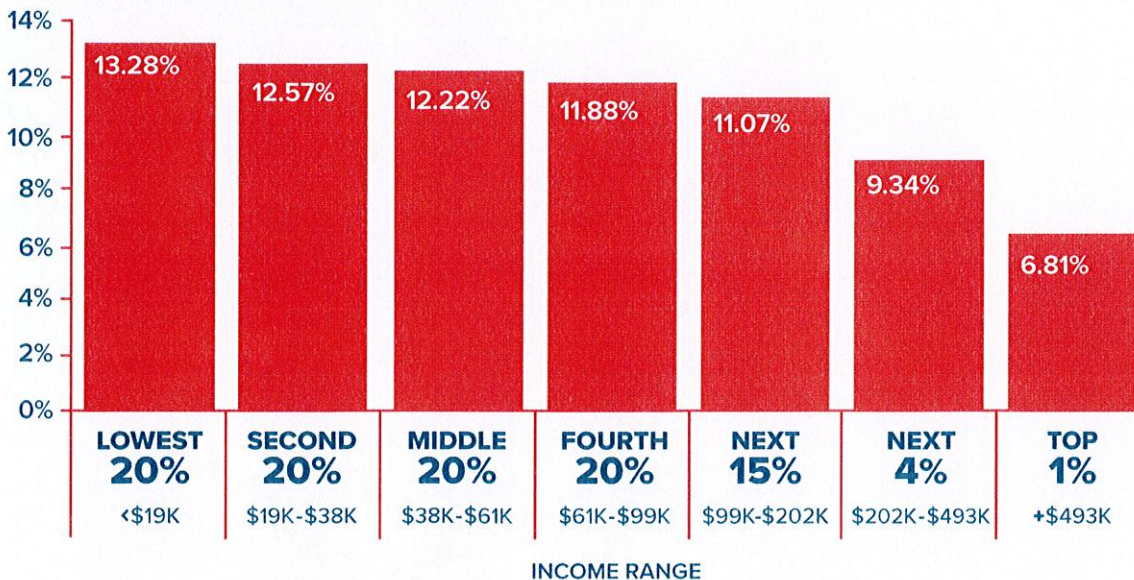
THE ILLINOIS INCOME TAX STRUCTURE IS POORLY DESIGNED AND UNSUSTAINABLE



- ▶ Illinois needs a long-term solution to our state's fiscal problems—now. **A fair tax, with lower rates for the middle class and higher rates for higher incomes, is needed** to ensure financial stability and get our fiscal house in order.
- ▶ Illinois is one of only eight states in the U.S. that has a flat income tax structure and is **one of only four states** that constitutionally requires a flat income tax.
- ▶ The federal government and 33 states, including Iowa, Missouri, Kentucky, and Wisconsin, have a **fair tax structure**.
- ▶ For the past several decades, virtually **all income growth has been made at the top income levels**. A flat tax fails to capture that growth.

TOTAL STATE & LOCAL TAXES PAID AS A SHARE OF INCOME, 2018 (ITEP)

Shares of Family Income For Non-elderly Taxpayers



TAX RELIEF FOR MIDDLE CLASS & WORKING FAMILIES



A flat tax is an unfair tax policy that unduly **burdens middle class and working families**. Currently, these families spend a higher percentage of their total income on local and state taxes than wealthy taxpayers. **A fair tax could provide a tax cut to more than 90 percent of tax payers in Illinois.**

REPAIRING THE DAMAGE CREATED BY THE BUDGET CRISIS



- ▶ **61,700 fewer students** were enrolled in public universities and colleges across Illinois (Illinois Economic Policy Institute).
- ▶ **22,000 seniors outside of Chicago** have lost access to services such as home delivered meals, transportation, and help accessing resources (Age Options).
- ▶ **As rates of opioid addiction steadily rise, over 24,000 fewer Illinoisians** were admitted to addiction treatment services (Illinois Association for Behavioral Health).
- ▶ **Nearly 47,000 fewer children** receive childcare assistance (SEIU Healthcare).
- ▶ **In 2016, more than 3,600 adults and 4,200 children** seeking shelter due to domestic violence were turned away because of shelter closings, staff reductions, and termination of programs (Chicago Foundation for Women).

ILLINOISANS WANT A FAIR TAX

According to a 2018 poll conducted by the Paul Simon Public Policy Institute at SIU Carbondale, 72 percent of people in Illinois support amending the constitution to allow for a fair tax.

This includes 51 percent of Republicans, 68 percent of people living down-state, and 66 percent of individuals earning over \$100,000.

A FAIR TAX WOULD IMPROVE THE LIVES OF ILLINOISANS

Providing Illinois with the revenue needed for public investment must come first. As seen throughout the two years that Illinois went without a budget, families, businesses, social service providers, and schools suffer when there isn't enough revenue.

A fair tax could raise an additional \$2 billion in revenue while providing a tax cut for 90 percent of Illinoisans.

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