

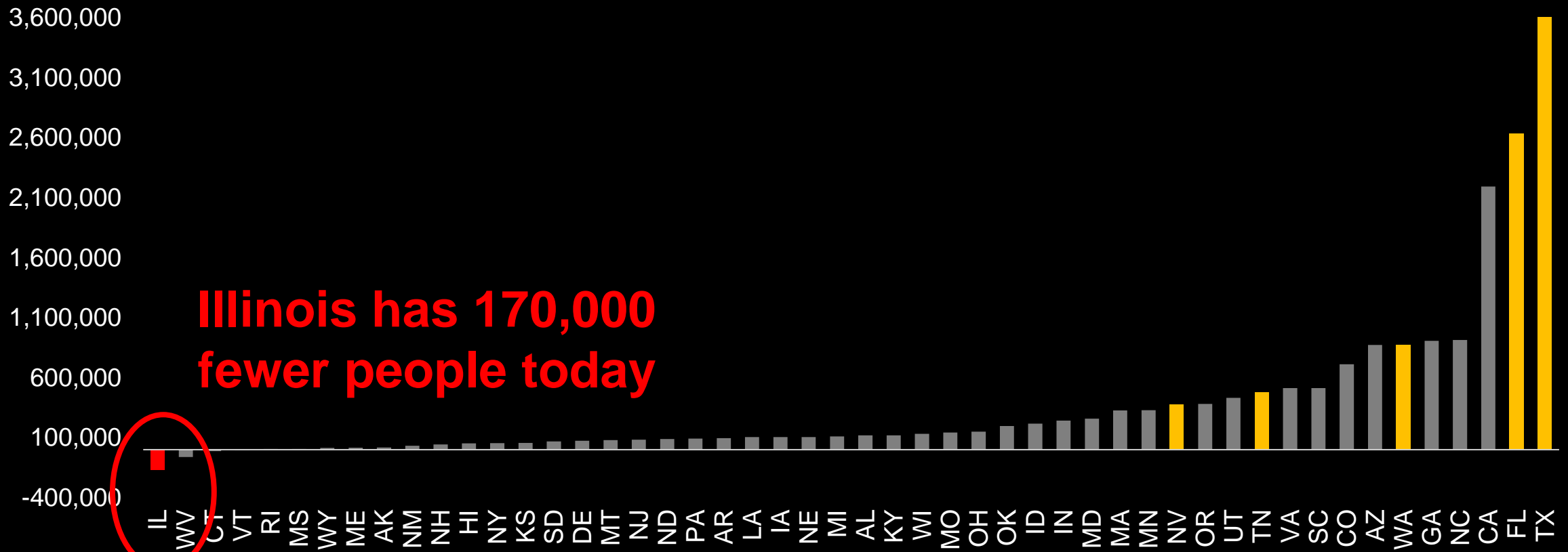
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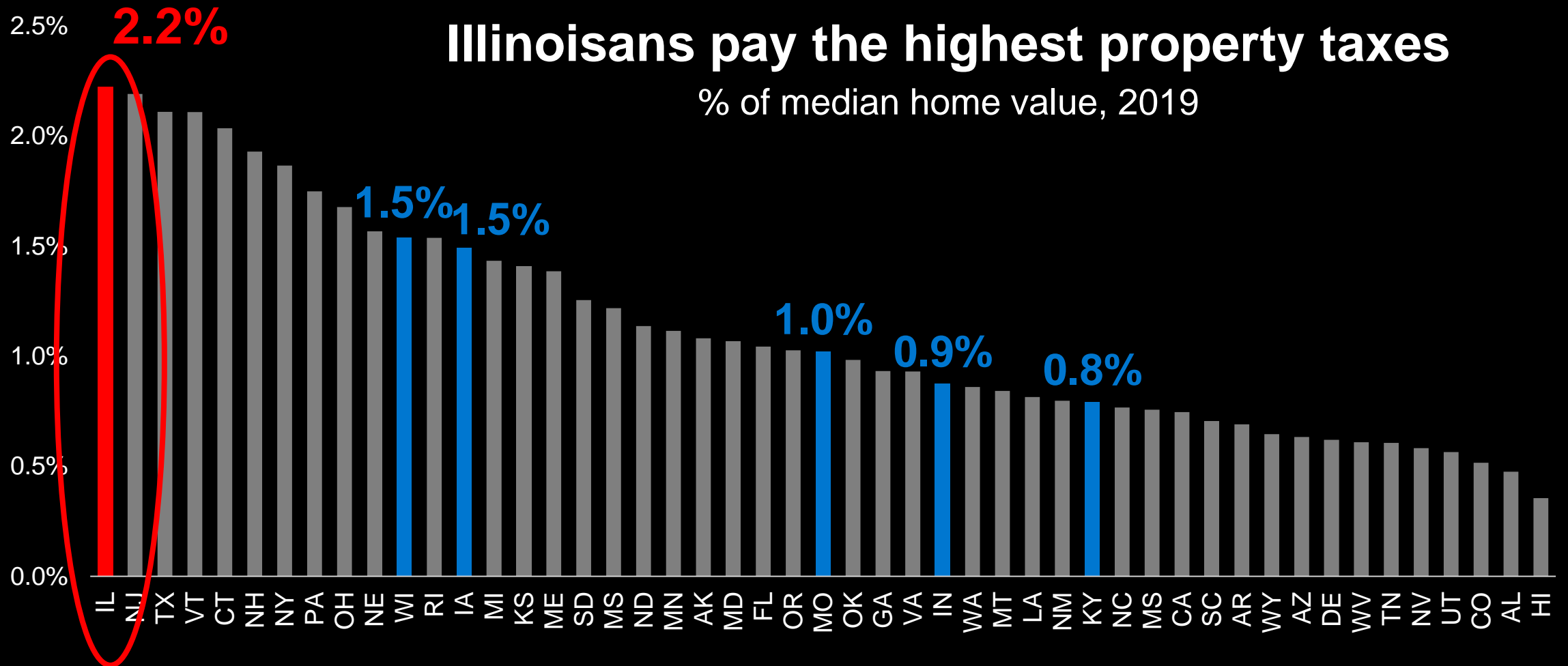
Illinois needs reforms, not tax hikes

8.20.20

Illinois has shrunk more than any other state

Population, 2019 vs. 2010

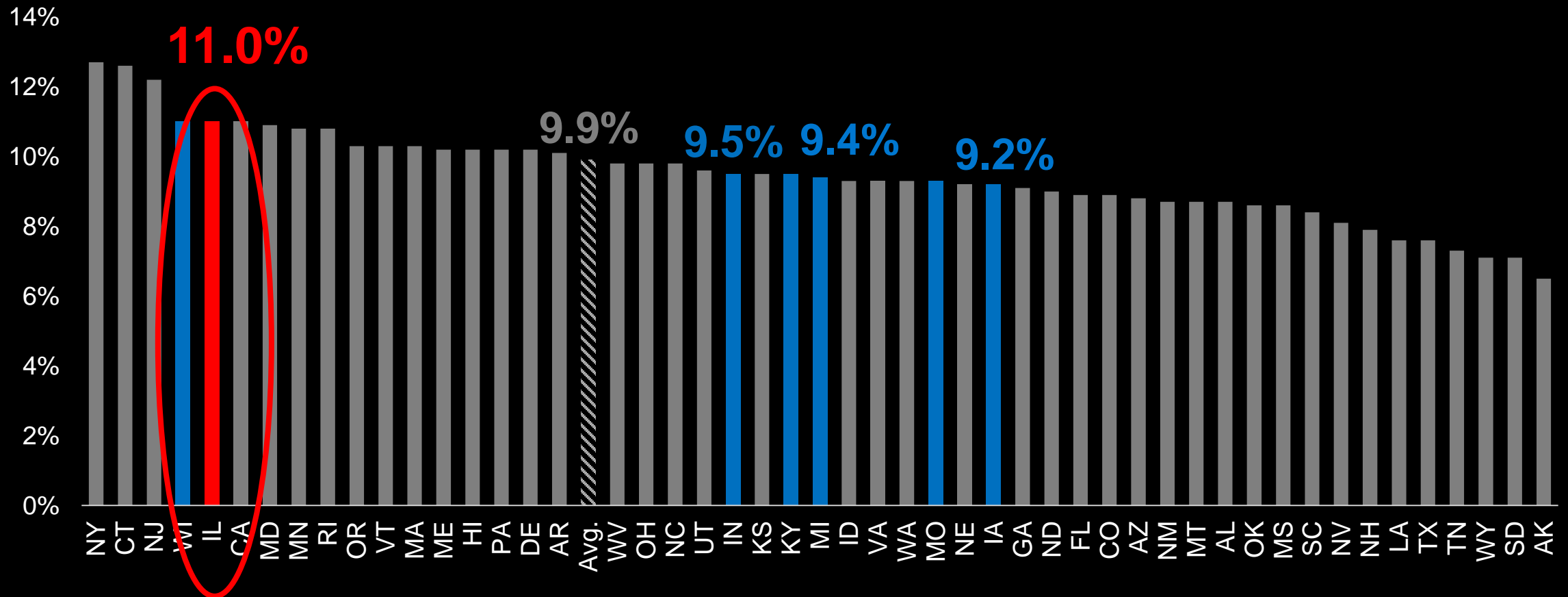




Source: Attom Data Solutions
 *Idaho property taxes are not covered by Attom

Illinois has one of nation's highest state/local tax burdens

Taxes as a percentage of state income, FY 2012



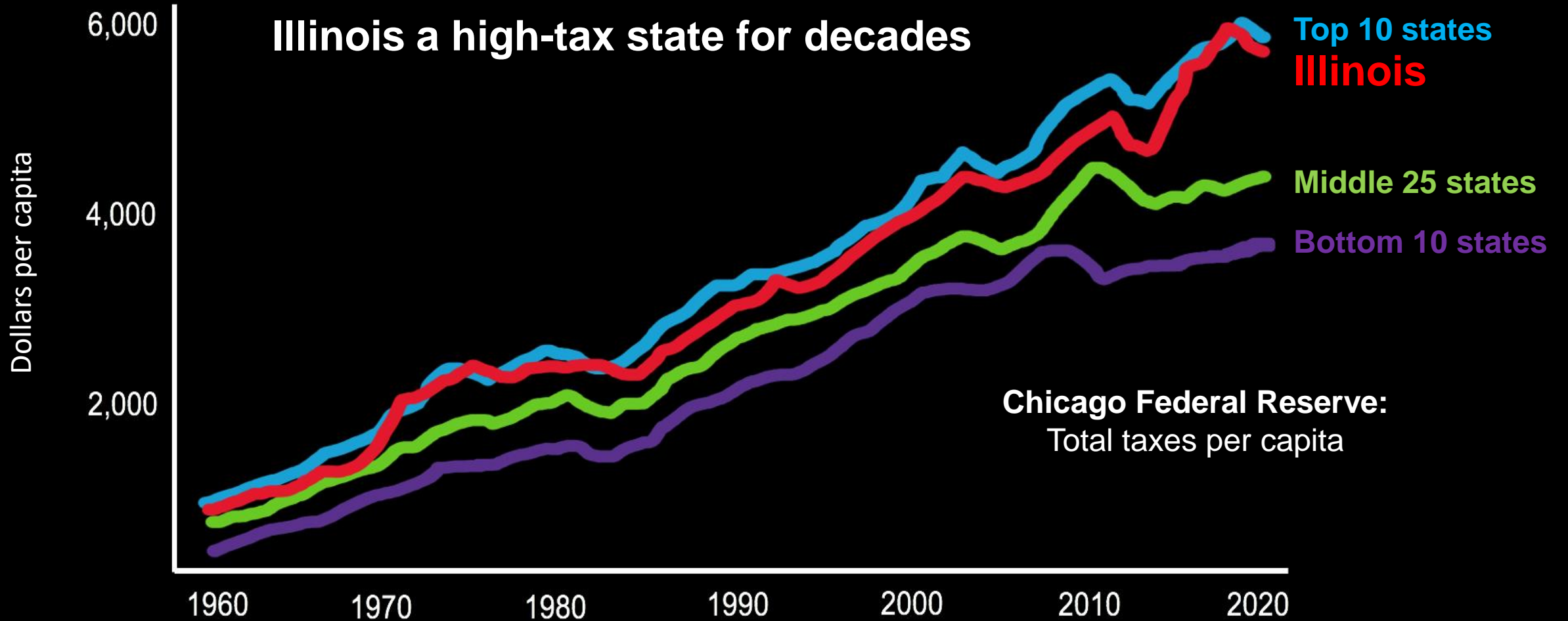
Kiplinger 50-state ranking:

Illinois: nation's "least tax-friendly state"

WalletHub 50-state ranking:

Illinois: nation's highest effective state/local tax rate (14.96%)

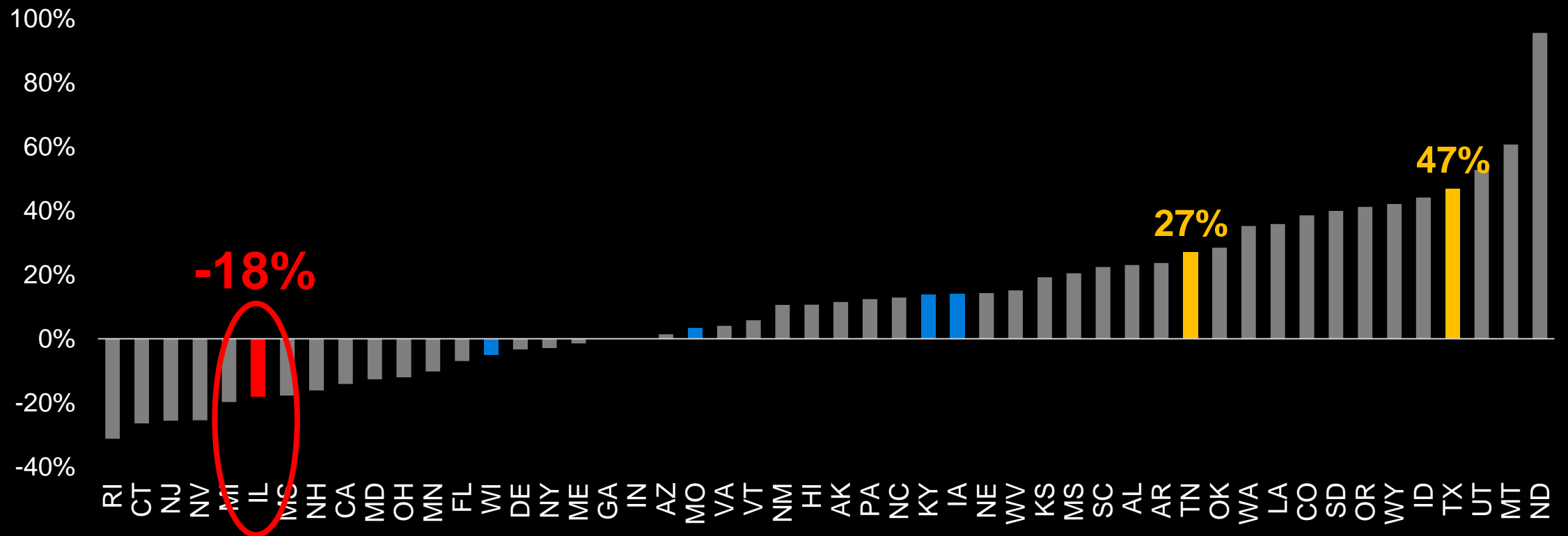
Illinois a high-tax state for decades



Source: Leslie McGranahan, "Comparing the Finances of Illinois and Other States" *Federal Reserve Bank of Chicago, Midwest Economy Blog*; Author's calculations based on data from the U.S. Census Bureau and Haver Analytics

Illinois home values suffer one of the nation's worst declines

Inflation-adjusted growth in home values, 2005-2018



**Illinois is the most corrupt
state in America.**

891 convictions

**for public corruption since 2000,
the most in the nation.**

Progressive tax introductory rates

4.75% \$0-\$10K

4.90% **\$10K-\$100K**

4.95% **\$100K-\$250K**

7.75% \$250K-\$350K

7.85% \$350K-\$750K

7.99% flat \$750K+

Introductory rates raise: \$3.6 billion

+ \$1.8

Structural deficit

+ \$1.0

Unpaid bills

+ \$4.0

Actual pension costs

= \$10.0 billion

Progressive tax rates
needed to raise
\$10 billion

**Marginal
tax rate**

**Income tax
bracket**

4.95%

\$0-50K

8.5%

\$50K-\$75K

9.0%

\$75K-\$150K

9.5%

\$150K-\$250K

10.5%

\$250K-\$1M

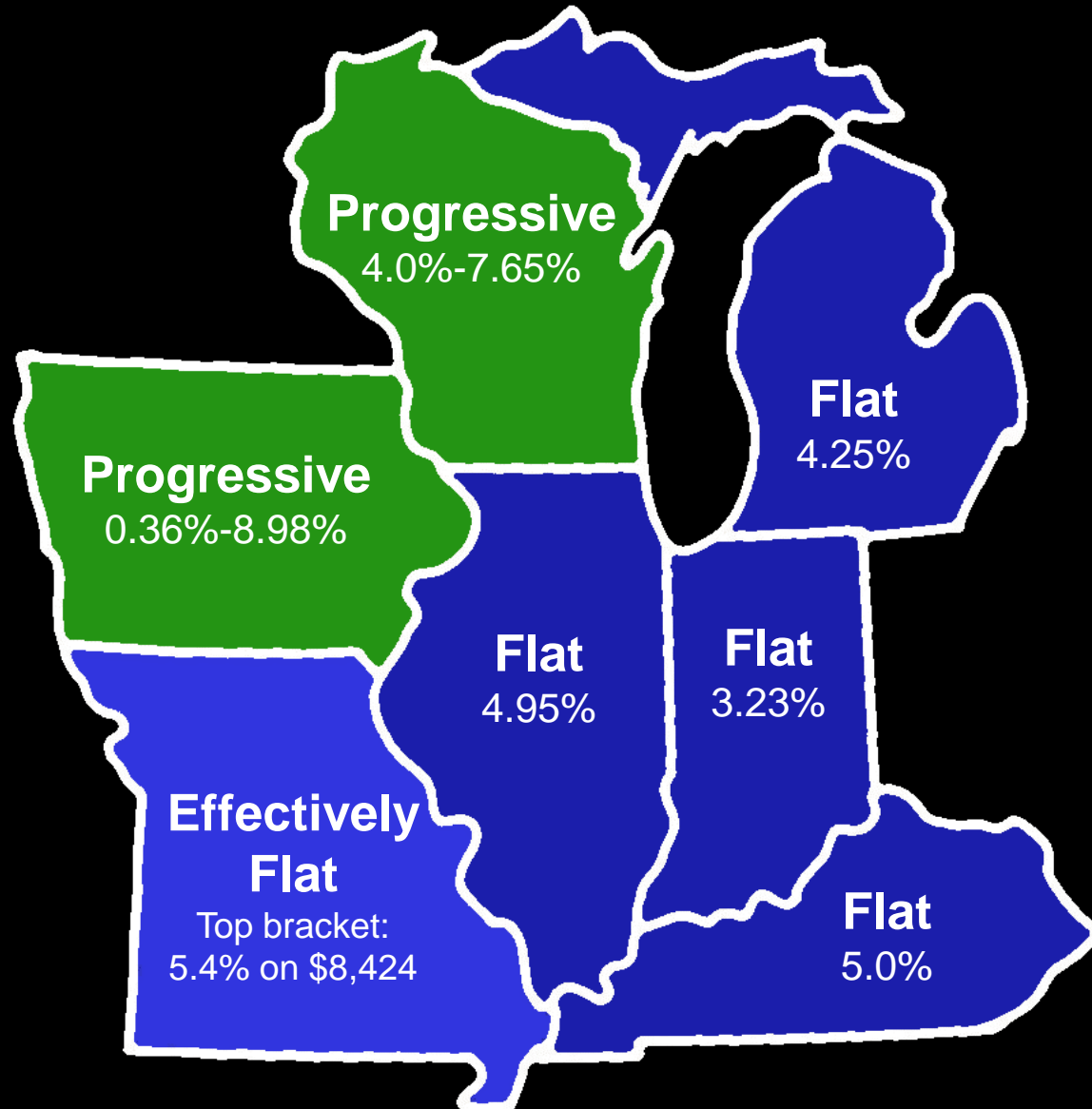
11.2%

\$1M+

\$5 billion-plus
Education spending

Progressive tax rates
needed to raise
\$15 billion

Marginal tax rate	Income tax bracket
4.95%	\$0-50K
9.5%	\$50K-\$75K
10.0%	\$75K-\$100K
13.0%	\$100K-\$250K
13.5%	\$250K-\$1M
14.0%	\$1M+



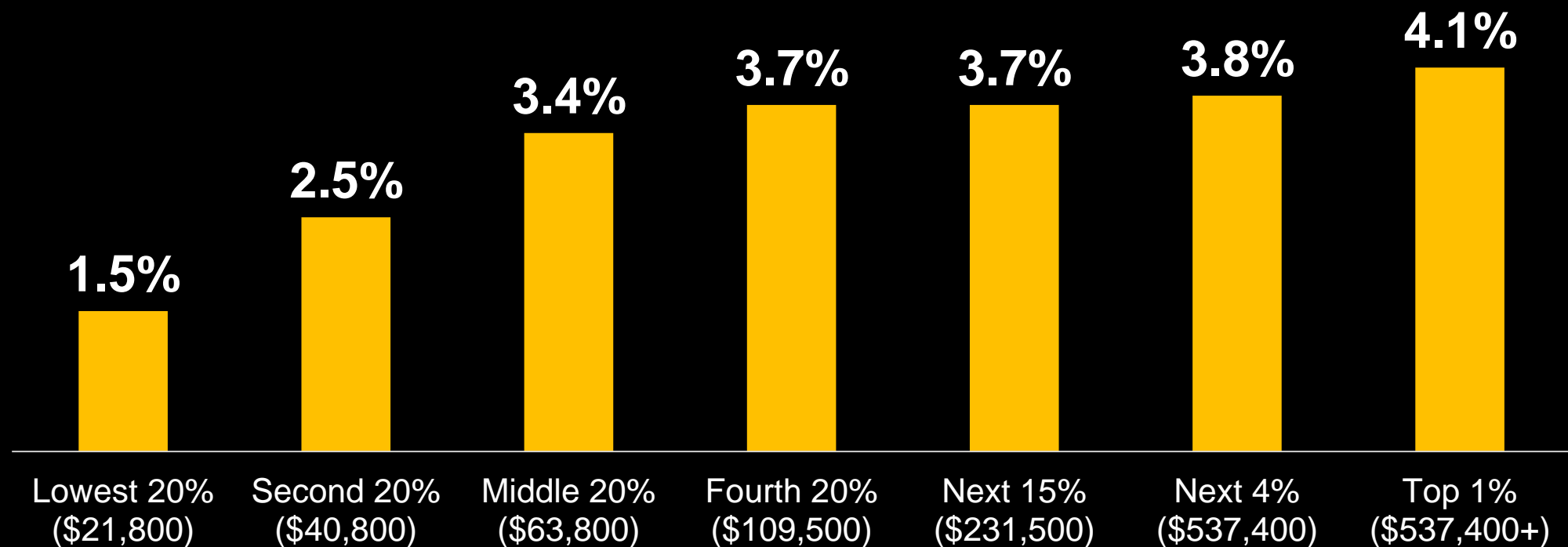
Most of Illinois' neighbors are flat or virtually-flat tax states

Tax hikes of the past few years

- **Gas tax (Now 3rd-highest in the nation)**
- **Cigarette and e-cig taxes (Now 9th-highest in the nation)**
- **Vehicle registration fee hike**
- **Real estate transfer tax hike**
- **New gambling expansion and taxes**

Illinois' flat tax is already progressive

Income taxes as a share of family income, 2015



Illinois' rate: 4.95% flat

Highest tax brackets

Missouri: 5.4% on \$8,424

Georgia: 5.75% on \$7,000

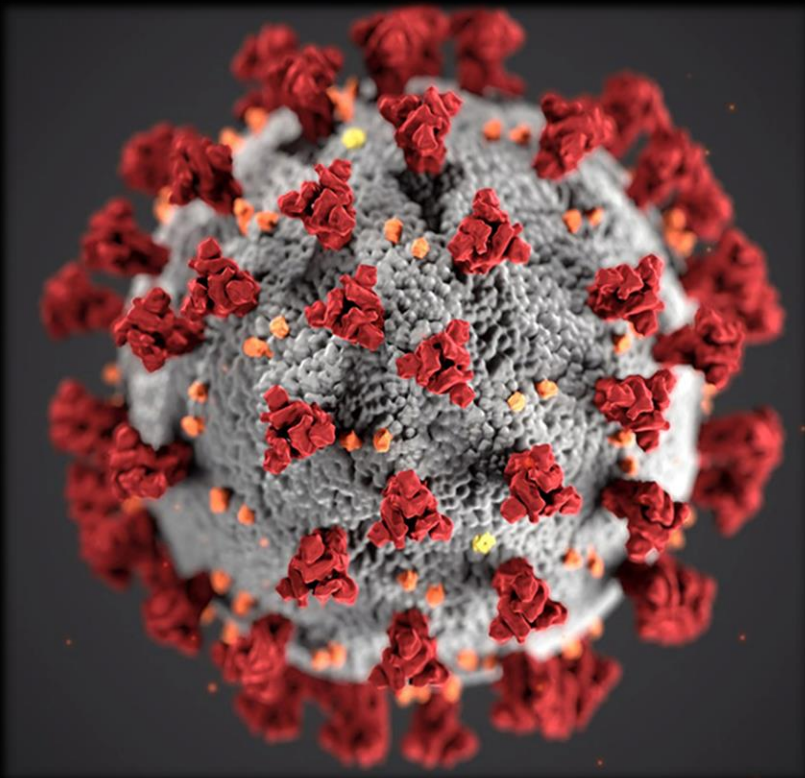
N. Mexico: 4.9% on \$16,000

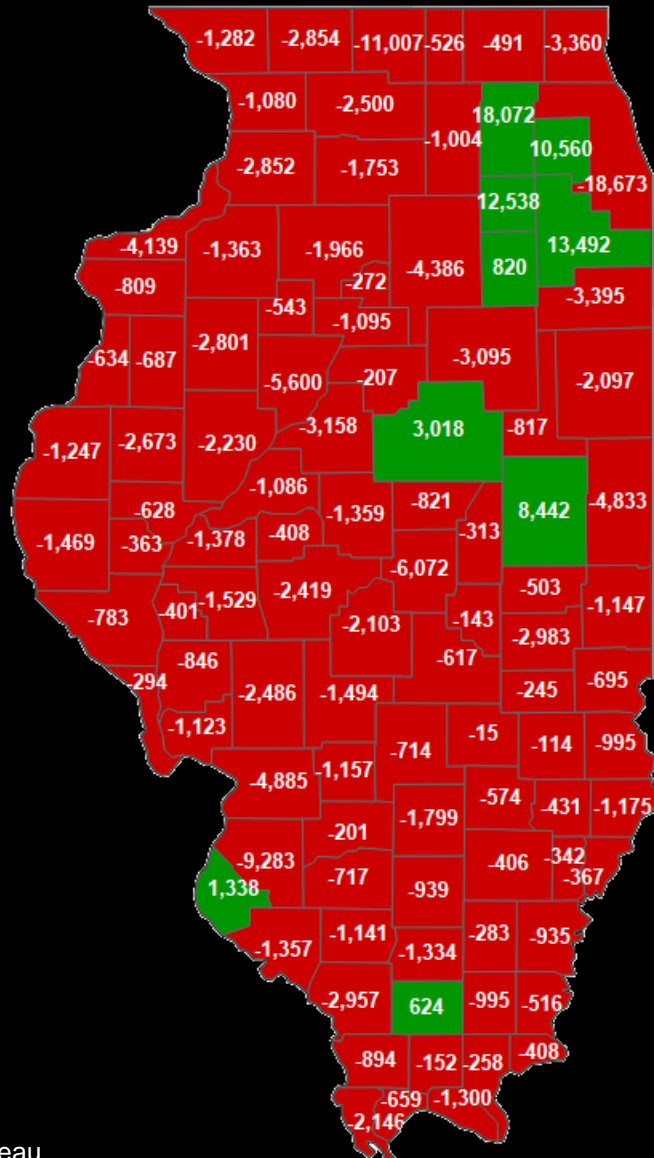
18 out of **32**
progressive tax states
are structured more
like a flat tax

“One thing a progressive tax would do is make clear you can have graduated rates when you are taxing retirement income.”

–Treasurer Michael Frerichs

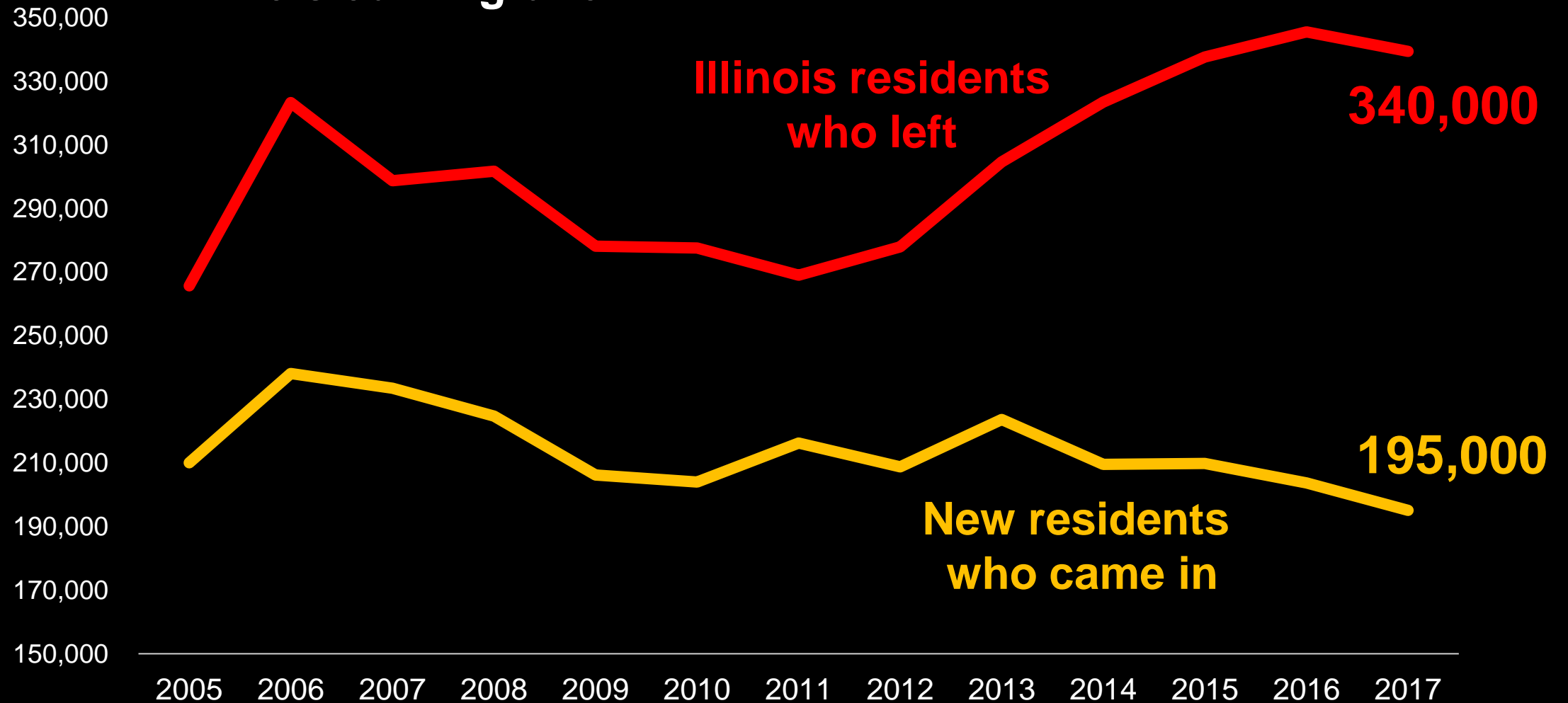
Every state with a progressive tax also taxes retirement income





93 of Illinois' 102 counties have lost population since 2010

Illinois out-migration



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