

Fair Tax for Illinois

**Responsible
Budget
Coalition**

The Illinois Income Tax Structure is Deeply Unfair and Unsustainable

- Illinois is one of only eight states in the U.S. that has a flat, regressive income tax structure, and is one of only four states that constitutionally require a flat income tax.
- The Federal government and 33 states in the U.S. have a progressive income 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.

A Fair Tax with lower rates for lower incomes and higher rates for higher incomes is needed to bring about tax fairness in Illinois and long-term, structural reform that produces stable and sustainable revenues and finally gets our fiscal house in order.

Tax Relief to Working Families

A flat tax is an unfair tax policy that unduly burdens middle-income and working families. Currently, they spend a higher percentage of their total income to local and state taxes than do wealthy taxpayers. **A Fair Tax would provide a tax cut to the majority of families in Illinois.**

Total State and Local Taxes Paid as a Share of Income, 2015 (ITEP)

Shares of family income for non-elderly taxpayers



Illinoisans Want a Fair Tax

According to a 2017 poll conducted by the Paul Simon Public Policy Institute at SIU Carbondale, **72% of people in Illinois support amending the constitution to allow for a graduated income tax.** This includes 55% of Republicans, 70% of people living down-state, and 65% of individuals earning over \$100k support a graduated income tax in Illinois.

A Fair Tax Would Improve the Lives of Illinoisans

Providing Illinois with the resources 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.

The Budget Impasse Continues to Impact Our Communities

- 42,800 fewer students were enrolled at public universities and colleges in the Chicago area. (IEPI)
- 18,900 fewer students were enrolled at public universities and colleges across southern Illinois. (IEPI)
- 30,000 fewer children were receiving child care assistance during the impasse. (CFW)
- 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. (CFW)
- 90% of homeless service providers had to limit intake, reduce or eliminate services, lay-off staff, eliminate programs, and/or close sites. (CFW)

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