The Illinois Income Tax Structure is Poorly Designed and Unsustainable

- 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.

Repairing the Damage Created by the Budget Crisis

- **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** received child care assistance. (IEPI)
- 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 percent of homeless service providers** had to limit intake, reduce or eliminate services, lay-off staff, eliminate programs, and/or close sites. (CFW)
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 taxpayers in Illinois.

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.

TOTAL STATE & LOCAL TAXES PAID AS A SHARE OF INCOME, 2015 (ITEP)

Shares of Family Income For Non-elderly Taxpayers

<table>
<thead>
<tr>
<th>INCOME RANGE</th>
<th>Shares of Family Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOWEST 20% &lt;$19K</td>
<td>13.2%</td>
</tr>
<tr>
<td>SECOND 20% $19K-$38K</td>
<td>11.8%</td>
</tr>
<tr>
<td>MIDDLE 20% $38K-$61K</td>
<td>10.8%</td>
</tr>
<tr>
<td>FOURTH 20% $61K-$99K</td>
<td>10.1%</td>
</tr>
<tr>
<td>NEXT 15% $99K-$202K</td>
<td>8.7%</td>
</tr>
<tr>
<td>NEXT 4% $202K-$493K</td>
<td>7.4%</td>
</tr>
<tr>
<td>TOP 1% +$493K</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

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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