

TUA NEWS RELEASE

Taxpayers United of America

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FOR IMMEDIATE RELEASE

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Say NO To A Graduated Income Tax Increase

The economic and demographic future of Illinois is now in the hands of the Illinois State House, as (SJRC1) was approved by the Illinois Senate.

The state is hemorrhaging residents and companies, and if this state income tax increase passes, and is approved by voters, the state will likely never recover. Illinois is circling the drain as we speak.

Gov. Pritzker says that this will be a tax on the “rich,” and that the tax will ensure fairness. This is totally untrue; in fact, the very opposite is the case.

The Illinois Pension Crisis continues to cost taxpayers more every year, and the Illinois exodus has reached historic levels. As it has been shown in the state of New York, wealthy taxpayers will leave because of higher taxes. Passing Pritzker's Income Tax Increase Amendment will increase the outflow of taxpayers, and consequently lower expected tax revenues. So who will pay when the money taken from taxpayers falls short? The middle class.

This is a middle class tax increase!

Rates for individuals under Gov. Pritzker's plan would jump to nearly 8 percent for anyone earning more than \$250,000 per year. For those with incomes of more than \$1 million annually, the 7.95 percent rate would not be marginalized—it would be applied to every dollar, not just income of more than \$1 million!

The proposed tax increase omits inflation indexing (resulting in “bracket creep”), creates a marriage penalty, and includes a recapture provision that subjects the entirety of a taxpayer's income to the top marginal rate once they reach that bracket!

Should this graduated-rate income tax become law, rates may climb even higher, and more taxpayers could be subjected to higher rates.

The neighboring states of Indiana, Iowa, Kentucky, and Missouri have all cut income taxes in recent years, while Illinois is headed in the opposite direction. This may be our last chance to save the state from economic collapse.

Taxpayers *must* call their representative and tell them to vote **NO** on a tax increase on the middle class.

Representatives should instead focus on reigning in lavish public spending, instead of chasing away their constituents and promote pro-growth reforms to help Illinois prosper.