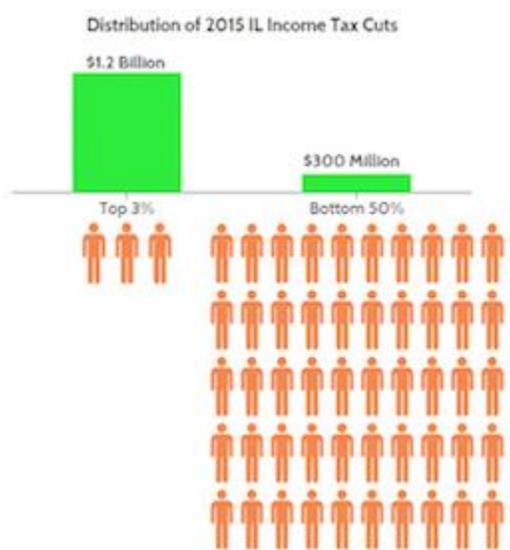


Revenue Solutions

Many Options

Studies by the Fiscal Policy Center at Voices for Illinois Children, the Center for Tax and Budget Accountability (CTBA), Grassroot Collaborative, and the business-backed Civic Federation demonstrate that state policy makers have not just one revenue solution to the budget crisis, but many.



\$6 Billion in Funding for Services Lost

In those studies, the fiscal experts note that investment in public services drives economic growth and strengthens families and communities. They also cite the expiration of corporate **and individual income tax rates in January 2015 as the primary cause of Illinois'** anticipated \$6 billion deficit at the start of Fiscal Year 2016. The Center for Tax and Budget Accountability also found that [50% of those tax breaks went to corporations and the wealthiest 3% of Illinois taxpayers.](#)

Specific Revenue Options

The Fiscal Policy Center, CTBA, and the Civic Federation each recommend that lawmakers choose revenue over steep cuts to vital services. Each identified the following revenue options to prevent damaging cuts to services that help strengthen families, communities, and the economy:

- restoring some or all of the 2014 individual income tax rates
- restoring some or all of the 2014 corporate income tax rates
- modernizing the sales tax to include services, and
- taxing some retirement income.

The Fiscal Policy Center and the Center for Tax and Budget Accountability also identified closing corporate loopholes as another revenue solution.

A Choice

State leaders chose to let tax rates expire in 2015 - which primarily went to corporations and upper income individuals - while draining \$6 billion from the state budget that pays for K-12 and higher education, human services, environmental protection, and many other critical services.

We are now many months into a budget impasse. Our state policymakers face a choice between restoring the revenue we lost or allowing more cuts to critical services that strengthen families, communities, and the economy. **The Governor and lawmakers can...**

- close corporate loopholes instead of pricing families out of college and cutting services for sexual assault survivors
- restore some or all of 2014 individual income tax rates - much of which is going to those with high incomes - instead of sacrificing good-paying jobs and critical infrastructure projects
- restore 2014 corporate income tax rates so families can afford childcare and children have afterschool opportunities
- tax high-end services like corporate jet rentals and interior decorating instead of cutting Meals on Wheels and independent living services for seniors and those with disabilities