

A Good Solution:
Please tell your Legislators
Overhaul the Tax Structure

**RAISE NEW AND DESPERATELY
NEEDED REVENUE**

- Increase the state income tax and provide targeted tax relief for low and middle income families through the state Earned Income Tax Credit
- Apply the state sales tax to some services that are already taxed by neighboring states

**FULLY FUND THE STATE SHARE OF
PUBLIC EDUCATION, INCLUDING
EARLY CHILDHOOD**

- Reduce the enormous disparity in per pupil spending between property-rich and property-poor school districts
- Ease the property tax pressure on businesses and housing costs

**PRESERVE FUNDING FOR VITAL
HUMAN SERVICES**

- Raise funds necessary to protect many vital health and human services from experiencing deep budget cuts or even elimination

PROVIDE ACCOUNTABILITY

- Guarantee an adequate level of financial support for all schools
- Ensure responsibility and transparency in the budget process.

ADDITIONAL RESOURCES

**LEAGUE OF WOMEN VOTERS
of ILLINOIS, lwvil.org**

**RESPONSIBLE BUDGET
COALITION**

http://www.voices4kids.org/getinvolved/files/RBC_purpose.pdf

For more information contact

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Attn: education funding
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**COMPREHENSIVE
TAX REFORM
FOR ILLINOIS**

WHY AND HOW



**League of Women Voters
of Illinois**

THE PROBLEM:

The projected state budget deficit is over \$12 billion.

To close a gap this enormous with spending cuts alone and no additional taxes would devastate education, human services, and public safety.

Cutting spending across the board enough to close the budget gap would slash programs in half.

Since state and federal laws mandate certain spending levels in programs like Medicaid, many other programs would have to be cut by much more than half, or even entirely eliminated.

The state budget is responsible for paying for vital services that keep our communities strong and our families safe and healthy:

- Adequately funded **public education** to provide all students equal educational opportunity;
- Affordable, quality **childcare** for all who need it to keep working;
- Violence prevention and criminal justice for **public safety**;
- **Early intervention** to preserve families and foster healthy growth and development of children;
- **Treatment and rehabilitation** services for mentally ill adults and children;
- Access to timely **medical and dental care** for Illinois children;
- Care for the **elderly**.

—In a recession, state spending cuts can have more harmful economic effects than a state income tax increase, according to leading economists.

—*The combined state and local tax burden in Illinois is low compared to other Midwestern states.*

—*Illinois has one of the most regressive tax systems in the country, with the greatest burden on those least able to pay.*

—**State funding of education has slipped from paying 48% of costs to under 30% of costs. Federal grants contribute about 9%. Schools turn to local property taxes to make up the difference.**

—**Escalating property taxes in areas without a large tax base drive businesses away while pushing housing costs out of reach.**

—*Illinois has the nation's worst gap in per pupil expenditures between rich districts and poor districts.*

—**By failing to provide an adequate education for too many students, we weaken our workforce and economy.**

Tell your state legislators: IT'S TIME TO BE RESPONSIBLE

- **Balance the budget with a combination of spending cuts AND taxes**
- **Invest in our future with fair funding for education and human services**