



Illinois General Assembly

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Rep Brady says tax hike anniversary is no cause for celebration

Springfield... This week's anniversary of implementation of the largest income tax increases in Illinois history is definitely no cause for celebration State Representative Dan Brady said today. In a lame duck session last January, Democrats in the Illinois General Assembly and Governor Quinn adopted legislation raising state income taxes on working families by a record-breaking 66%. Rep. Brady (R-Bloomington) opposed the increase, stressing it would only punish families already struggling to make ends meet.

"Unfortunately, that is exactly what has happened. An average family earning about 55 thousand dollars last year paid one thousand dollars more in state income taxes. That's a lot of money, and it's coming directly out of family budgets already stretched to the breaking point," Brady said.

Rep. Brady noted that with that same \$1,000 a family could have purchased more than 500 loaves of bread, about 300 gallons of milk, 2,000 disposable diapers or 285 gallons of gas (at \$3.50 per gallon).

The tax increase legislation (SB 2505) increased the state income tax for individuals and families from 3% to 5%. The income tax rate for Illinois employers increased from 4.8% to 7% percent. Rep. Brady said the corporate increase has taken a toll on families and our economy through lost jobs.

"When I opposed this legislation I predicted it would be a job-killer. Since its passage unemployment is up, our bond rating is down, and businesses are leaving, downsizing, or demanding special tax breaks," Brady said.

Rep. Brady is co-sponsoring new legislation to accelerate the planned roll-back of the corporate income tax increase to help our local businesses grow and to help our communities compete for new jobs. House Bill 3918 would phase out the corporate income tax increase by 2014. Without HB 3918, the increase would not fully expire until January 1, 2025.

"It's clear that the tax increases haven't worked. It's time to roll them back and find a different approach," Brady concluded.

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