



TAX FREEDOM DAY ARRIVES ON APRIL 13 THIS YEAR

Tax Freedom Day, the day when taxpayers will have earned enough money to pay this year's tax obligations at the federal, state and local levels, will arrive on April 13 this year, according to the nonpartisan Tax Foundation in Washington, DC.

The landmark date falls a full two weeks earlier in 2009 than it did in 2007, primarily due to two factors. One, the recession has reduced tax collections even faster than it has reduced income, and two, the federal "stimulus package," the American Recovery and Reinvestment Act of 2009, includes large temporary tax cuts for 2009 and 2010.

Americans will work about three and a half months of this year, from January 1 to April 13, before they have earned enough money to pay this year's tax obligations at the federal, state and local levels, according to the Tax Foundation.

Illinois' Tax Freedom Day for calendar year 2009 is on April 13, at which point Illinois taxpayers will have worked 103 days to pay their federal, state and local taxes. Illinois' rank this year makes it the 15th highest in taxes, as measured by the Tax Freedom Day date. In calendar year 2008, Illinois' rank was 13, with Illinois taxpayers working 111 days to pay their federal, state and local taxes.

However, Illinois' slightly more favorable ranking this year is jeopardized by the proposed huge increase in the state income tax, supported by Gov. Patrick Quinn (D). Quinn's proposal would raise the state income tax by a steep 50 percent, hiking the state corporate rate from 7.3% to 9.7%, making it the 5th highest in the nation.

But for some politicians, a 50% state income tax hike is not high enough. Chicago machine politician, "The Reverend" St. Sen. James T. Meeks (D-15, Calumet City), sent a letter to Gov. Quinn in which he stated that Quinn's proposed 50% increase in the state income tax is inadequate, and that, according to Meeks, the state income tax hike should be raised a whopping 67%.

Raising the state corporate income tax from 7.3% to 9.7% would prevent the creation of 70,000 jobs in Illinois, according to Jim Tobin, President of the Illinois Taxpayer Education Foundation (ITEF). "Quinn is as slippery as a quart of 10W30," said Tobin. "He calls his proposed tax hike a 'reform' measure. In other words, there will be little or no income tax increase for the state's least affluent citizens, but a huge tax increase on its middle class—the 'fat cats,' as he calls them."

"What slippery Pat won't tell you is that that the state will receive \$9.4 billion over the next 19 months from the federal government's stimulus package," said Tobin. "Furthermore, the federal government also will be giving the state about \$2.1 billion for capital expenditures. The \$11.5 billion federal package will virtually wipe out the state's so-called financial gap."

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