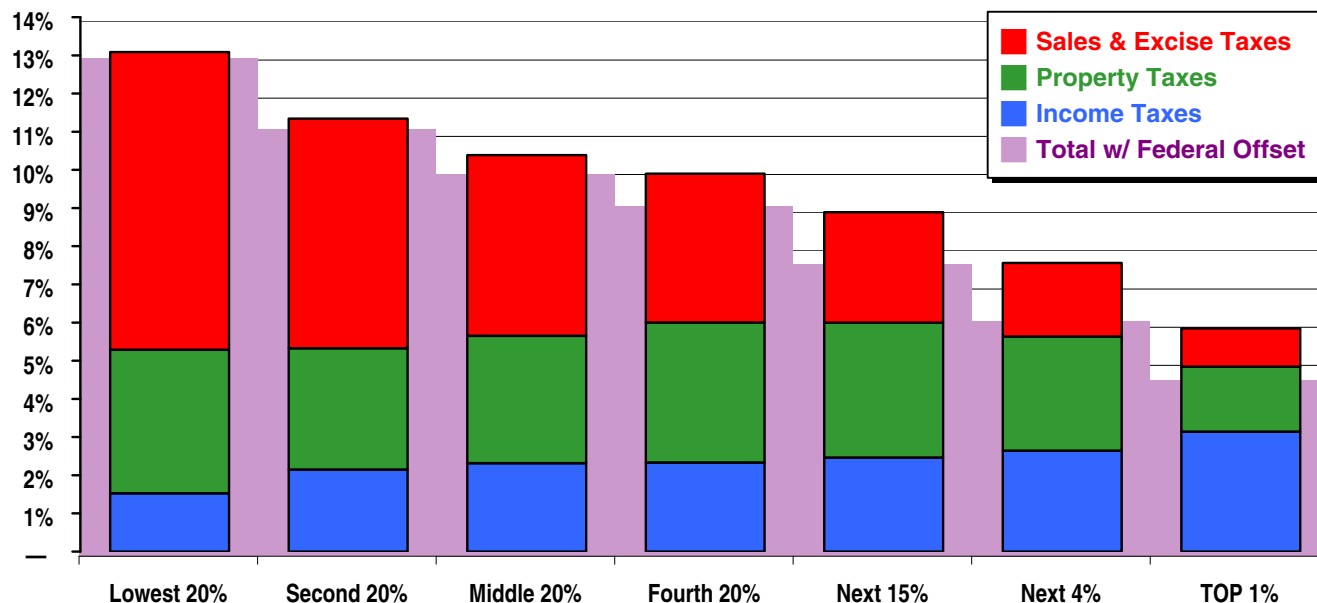


# Illinois

## State & Local Taxes in 2002

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
<b>Income Range</b>	Less than \$16,000	\$16,000 – \$30,000	\$30,000 – \$48,000	\$48,000 – \$77,000	\$77,000 – \$148,000	\$148,000 – \$295,000	\$295,000 or more
<b>Average Income in Group</b>	\$8,900	\$22,600	\$38,500	\$61,100	\$101,400	\$203,600	\$1,322,100
<b>Sales &amp; Excise Taxes</b>	<b>7.8%</b>	<b>6.0%</b>	<b>4.7%</b>	<b>3.9%</b>	<b>2.9%</b>	<b>1.9%</b>	<b>1.0%</b>
General Sales—Individuals	3.5%	3.1%	2.6%	2.2%	1.7%	1.2%	0.6%
Other Sales & Excise—Ind.	2.3%	1.4%	1.0%	0.7%	0.5%	0.3%	0.1%
Sales & Excise on Business	1.9%	1.6%	1.2%	1.0%	0.7%	0.5%	0.3%
<b>Property Taxes</b>	<b>3.8%</b>	<b>3.2%</b>	<b>3.3%</b>	<b>3.7%</b>	<b>3.5%</b>	<b>3.0%</b>	<b>1.7%</b>
Property Taxes on Families	3.6%	3.0%	3.1%	3.4%	3.2%	2.5%	0.8%
Other Property Taxes	0.2%	0.2%	0.2%	0.2%	0.3%	0.5%	0.9%
<b>Income Taxes</b>	<b>1.5%</b>	<b>2.1%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.5%</b>	<b>2.6%</b>	<b>3.1%</b>
Personal Income Tax	1.5%	2.1%	2.3%	2.3%	2.4%	2.5%	2.6%
Corporate Income Tax	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.5%
<b>TOTAL TAXES</b>	<b>13.1%</b>	<b>11.3%</b>	<b>10.4%</b>	<b>9.9%</b>	<b>8.9%</b>	<b>7.6%</b>	<b>5.8%</b>
<b>Federal Deduction Offset</b>	<b>-0.0%</b>	<b>-0.2%</b>	<b>-0.4%</b>	<b>-0.7%</b>	<b>-1.2%</b>	<b>-1.4%</b>	<b>-1.2%</b>
<b>TOTAL AFTER OFFSET</b>	<b>13.1%</b>	<b>11.2%</b>	<b>10.0%</b>	<b>9.2%</b>	<b>7.6%</b>	<b>6.2%</b>	<b>4.6%</b>

Note: Table shows 2002 tax law at 2000 income levels.

# Illinois Details

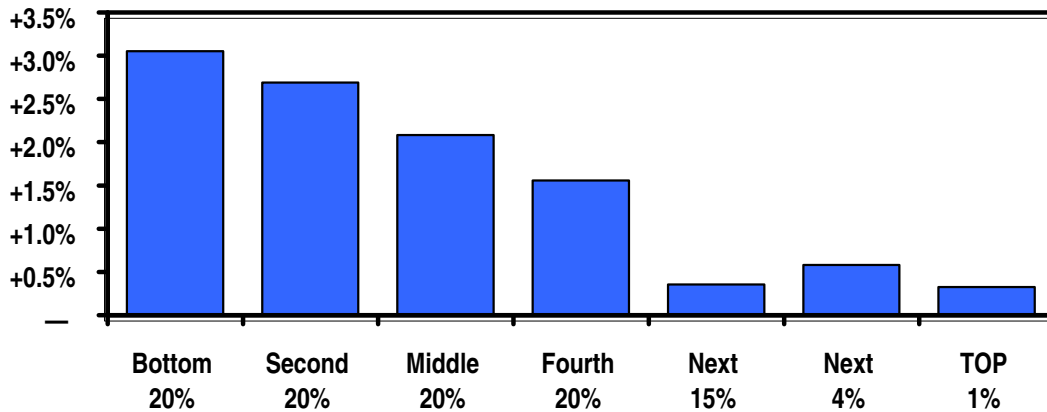
## Progressive Features

- ✓ Credit for property tax
- ✓ Homestead exemption

## Regressive Features

- ✗ Tax on food
- ✗ Flat-rate income tax
- ✗ Low income tax exemptions
- ✗ Utilities subject to tax

Changes in Tax as Share of Income, 1989 - 2002

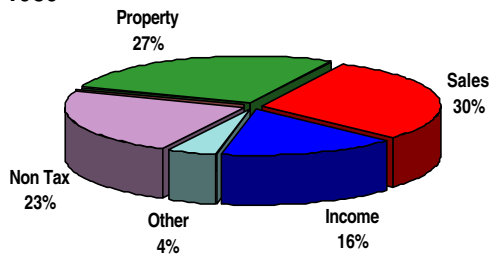


	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
<b>Sales &amp; Excise</b>	+2.4%	+1.8%	+1.4%	+1.1%	+0.8%	+0.6%	+0.3%
<b>Property</b>	+0.8%	+1.2%	+1.0%	+0.9%	-0.1%	+0.1%	+0.0%
<b>Income</b>	-0.2%	-0.2%	-0.2%	-0.2%	-0.1%	+0.0%	+0.3%
<b>Federal Offset</b>	-0.0%	-0.1%	-0.2%	-0.3%	-0.2%	-0.1%	-0.3%
<b>Overall Change</b>	+3.1%	+2.7%	+2.1%	+1.6%	+0.4%	+0.6%	+0.3%

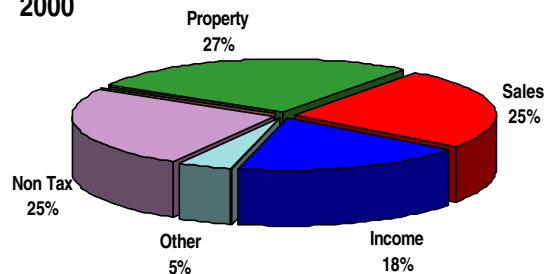
Small but progressive changes in the Illinois income tax, including an expanded personal exemption, were insufficient to offset regressive sales and excise tax hikes. Excise taxes were raised by 68 cents on cigarettes, 6.5 cents on beer and 3 cents on gasoline. Local sales tax rates climbed steadily throughout the decade.

## Composition of Revenues

1989



2000



Source: Government Finances, US Department of Census