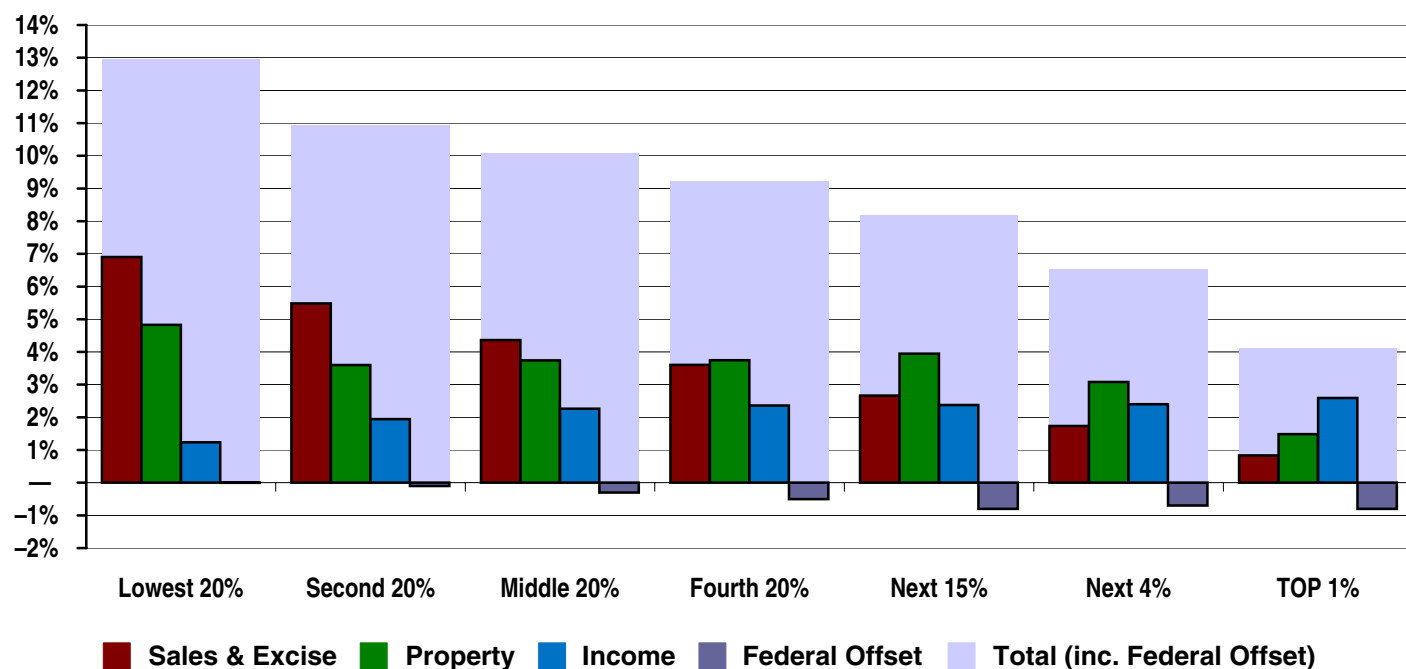


Illinois

State & Local Taxes in 2007

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%
Income Range	Less than \$18,000	\$18,000 – \$36,000	\$36,000 – \$58,000	\$58,000 – \$95,000	\$95,000 – \$196,000	\$196,000 – \$500,000	\$500,000 or more
Average Income in Group	\$10,100	\$26,600	\$47,000	\$74,700	\$128,900	\$300,700	\$2,084,700
Sales & Excise Taxes	6.9%	5.5%	4.4%	3.6%	2.7%	1.7%	0.8%
General Sales—Individuals	3.5%	3.0%	2.5%	2.2%	1.7%	1.1%	0.5%
Other Sales & Excise—Ind.	1.7%	1.0%	0.7%	0.6%	0.4%	0.2%	0.1%
Sales & Excise on Business	1.7%	1.4%	1.1%	0.9%	0.6%	0.4%	0.2%
Property Taxes	4.8%	3.6%	3.7%	3.7%	3.9%	3.1%	1.5%
Property Taxes on Families	4.7%	3.4%	3.6%	3.5%	3.7%	2.7%	0.6%
Other Property Taxes	0.1%	0.2%	0.2%	0.2%	0.3%	0.3%	0.8%
Income Taxes	1.2%	1.9%	2.3%	2.4%	2.4%	2.4%	2.6%
Personal Income Tax	1.2%	1.9%	2.2%	2.3%	2.3%	2.3%	2.2%
Corporate Income Tax	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.4%
TOTAL TAXES	13.0%	11.0%	10.4%	9.7%	9.0%	7.2%	4.9%
Federal Deduction Offset	-0.0%	-0.1%	-0.3%	-0.5%	-0.8%	-0.7%	-0.8%
TOTAL AFTER OFFSET	13.0%	10.9%	10.1%	9.2%	8.2%	6.5%	4.1%

Note: Table shows 2007 tax law updated to reflect permanent changes in law enacted through October 2009.

Illinois

State & Local Taxes

Features, Developments, and Comparisons

Progressive Features

- ✓ Provides a refundable earned income tax credit (EITC)

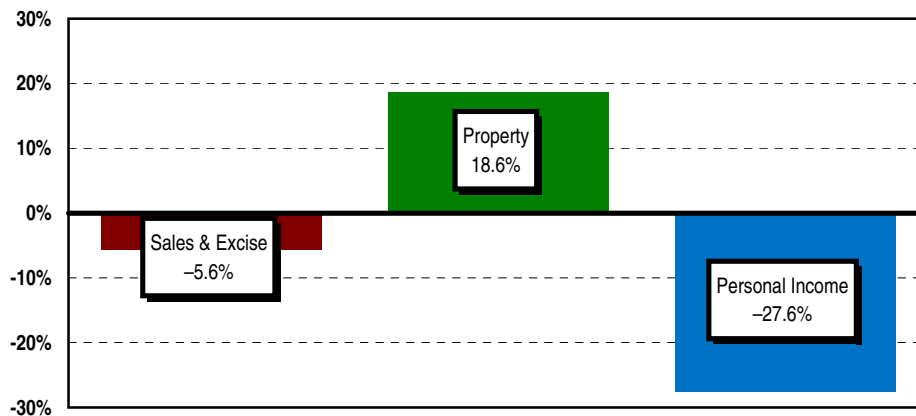
Regressive Features

- ✗ Income tax uses a single rate structure
- ✗ Comparatively low income tax exemptions
- ✗ Provides a non-refundable property tax credit
- ✗ Comparatively high combined state and local sales tax rate
- ✗ Groceries taxed at a uniform statewide local tax rate of 1.25 percent in addition to any local option sales taxes

Recent Developments

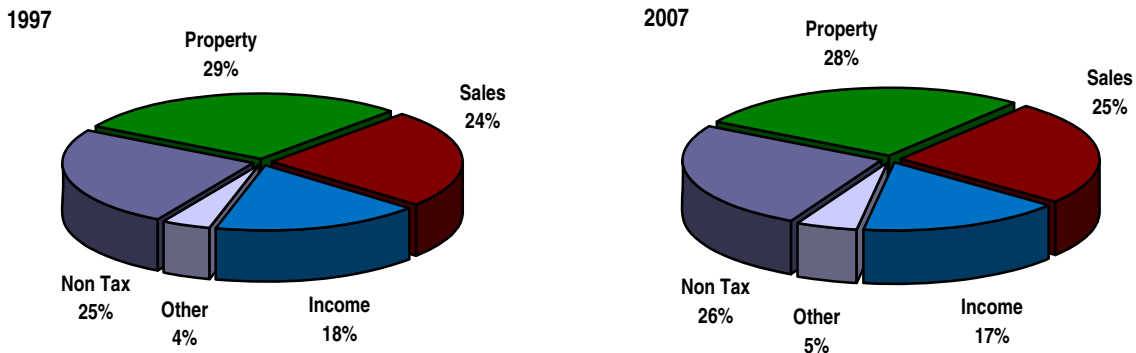
- ▲ Increased alcohol taxes
- ▲ Extended property tax assessed value caps.

Select State and Local Taxes Relative to the National Average



Source: Government Finances, US Department of Census

Change in the Composition of Revenue



Source: U.S. Census Bureau, Government Finances