

Senate Joint Resolution Constitutional Amendment
Number 1 of the 101st General Assembly

Illinois Senate Bill 687 was passed by both houses of the Illinois legislature and then approved by Governor Pritzker on June 5, 2019. It will take effect beginning with tax years beginning on or after January 1, 2021 only if it passes a majority vote on November 3, 2020. This proposed amendment to the Illinois Income Tax Act sets up six levels of marginal tax rates for individuals, trusts, and estates. It also increases the rate on the real estate tax credit from 5% to 6% and establishes a \$100 per child tax credit – both of these being phased out at higher income levels. The tax on corporations will be set at 7.99%. Married couples who file a joint federal tax return must also file their Illinois tax return jointly.

<u>Marginal Rates</u>	<u>Net Income Level Single Filers</u>	<u>Net Income Level Joint Filers</u>
4.75%	\$0-10,000	\$0-10,000
4.90%	\$10,001-100,000	\$10,001-100,000
4.95%	\$100,001-250,000	\$100,001-250,000
7.75%	\$250,001-350,000	\$250,001-500,000
7.85%	\$350,001-750,000	\$500,001-1,000,000
7.99%	over \$750,000	over \$1,000,000

AAUW-IL endorses passage of the amendment since it lowers the taxes on lower income taxpayers, and they consider it a pay equity issue. A flat tax like the current 4.95% on all individuals places a heavier burden on lower income taxpayers.

You may calculate your taxes under this new structure by going to www.illinois.gov/FairTaxCalculator . I tried it with my 2019 tax return data and found I would have saved \$151. Try it and see for yourself. There is a lot of advertising on television right now that appeals to emotions and spreads misinformation and false conclusions. Be aware that many who try to influence your vote have something to gain.