



ITEF COMMENT



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TOTAL STATE REVENUE UP \$8.1 BILLION FOR FY2010

By Jeff Trigg

The Illinois Taxpayer Education Foundation's analysis of Illinois' state revenue for fiscal year 2010 shows an incredible \$8.1 billion increase in total state revenue over fiscal year 2009. The state of Illinois has seen an increase in total revenue of 11.22% since fiscal year 2009.

Long-term borrowing increased \$4.1 billion for capital projects and gold-plated pensions for government employees. Federal tax subsidies increased by \$2 billion since 2009.

The revenue analysis shows a decrease in revenue from personal incomes taxes, casino taxes, tobacco taxes, and gasoline taxes. The decrease in those revenue categories indicates that the Illinois economy is still struggling as residents deal with unemployment and stagnant incomes. Furthermore, Illinois' smoking ban continues to hurt casino tax revenues and the federal tax hike on cigarettes helped reduce tobacco tax revenues in the state.

The failure of Illinois politicians to cut spending levels and to halt new spending is the verifiable cause of any crisis related to the Illinois budget. In fact, total state revenue has increased every year since ITEF began tracking state revenues in 2003.

While the state sees evidence of Illinois residents cutting their spending, the government has continued to squander more money. Earlier this year, 40,000 state government union employees were given raises, and all 40,000 are due another pay raise of 7% before July of 2011. The upcoming pay hikes will cost the state of Illinois half a billion dollars.

In the last 15 months, Governor Pat Quinn has given 43 salary increases averaging 11.4% to 35 staffers while he refuses to cut the state budget.

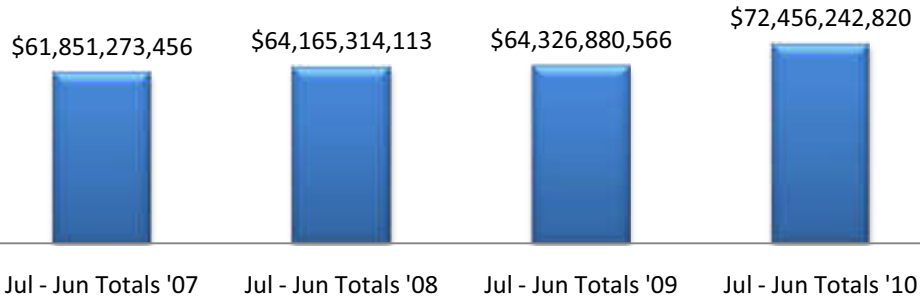
Illinois needs to reduce the burden of doing business in this state by cutting bureaucratic regulations and reducing the tax burden on businesses. Proposals to increase income taxes on individuals and corporations will only result in putting Illinois at a greater competitive disadvantage for attracting jobs.

Jeff Trigg is the former Executive Director of National Taxpayers United of Illinois.

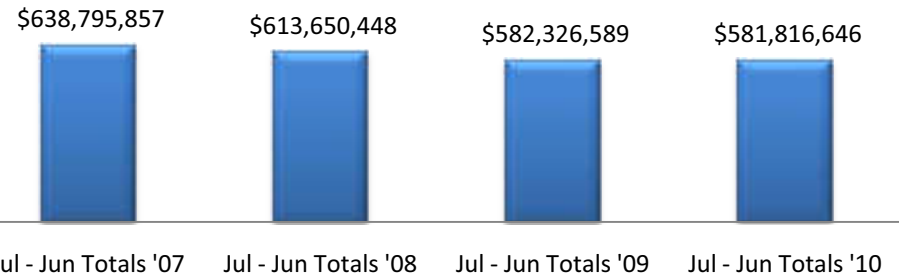
State of Illinois Revenue Analysis

July - June Comparision 2007, 2008, 2009, 2010

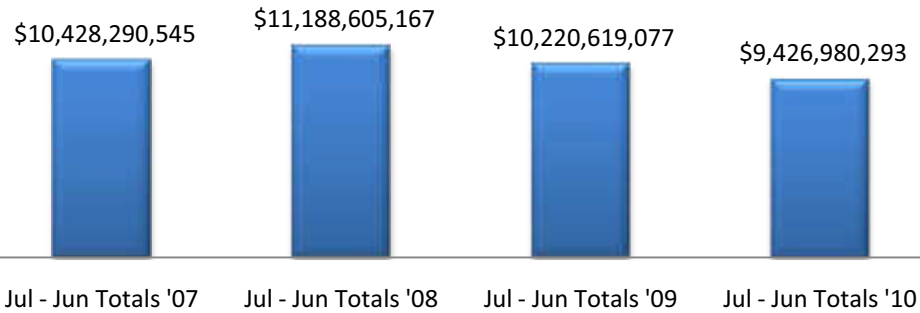
Total State Revenue



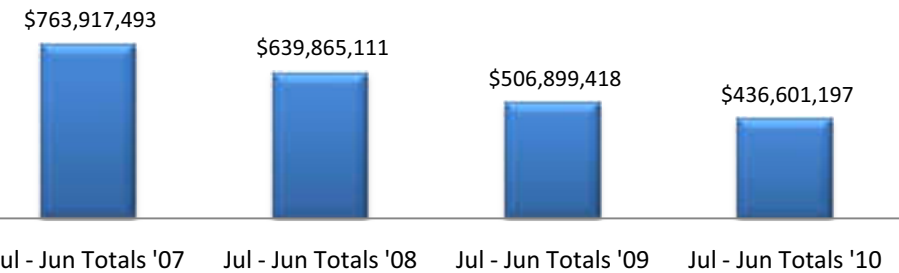
State Tobacco Tax Revenue



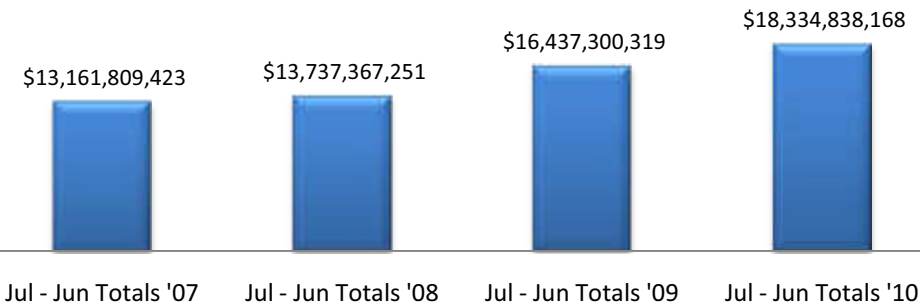
Personal Income Tax Revenue



Casino Tax Revenues



Revenue from Federal Government



State Motor Fuel Tax Revenues

