

TUA NEWS RELEASE

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Former Gov. James R. Thompson Lives Lavishly as Social Security Recipients Struggle

CHICAGO—Former Illinois Governor James R. Thompson, who in 1983 and 1989 engineered raising Illinois' state personal and corporate income tax rates by 20 percent, will receive a generous increase to his lavish, gold-plated state pension on July 1, 2016, while Illinois residents on Social Security government pensions will see negligible increases to their own benefits next year.

Thompson's annual pension as of 2016 is [\\$147,477](#). On July 1, his annual cost-of-living increase of 3% will boost his annual government pension by \$4,424.

Compare those figures to Social Security recipients, whose cost-of-living increase of two-tenths of one percent for 2017 was just recently announced. For those receiving a Social Security pension of \$1,000 a month, that cost-of-living increase amounts to only \$24 annually, or nearly one-hundred eight-five times less than that of Thompson.

"It is obscene that tax-raiser Thompson is pulling in millions of dollars from the essentially bankrupt state pension fund, while retirees on Social Security pensions, whose earnings were taxed to prop-up his state pension fund, must get by with an increase of \$2 or \$3 a month in 2017," said Jim Tobin, President of Taxpayers United of America (TUA).

Under Thompson, the state personal income tax was raised from 2.5% to 3%, and the state corporate income tax to 7.3%, including the 2.5% personal property replacement-tax surcharge.

"This is an example of how corrupt the Illinois government is and has always been," said Tobin. "Thompson, who retired at age 55, and who has contributed only \$84,996 to his pension plan, already has collected \$2.5 million to date, and his estimated lifetime pension payout is \$3.38 million. He should be ashamed, Social Security pensioners and taxpayers alike should demand immediate reform."

To understand the tax burden Illinois taxpayers face due to unfunded government pension liabilities, see TUA's [10th Annual Illinois State Pensions Report](#).