TUA NEWS RELEASE

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Rahm's Amusement Tax- Not Funny to Taxpayers who Fund Lavish Muni Pensions

Chicago – Taxpayers United of America (TUA) has released its most recent government pension study exposing individual pensions for Chicago Municipal Government retirees.

"All of the top 200 Chicago pensions for the 'poor civil servants' are at least $100,000 a year," stated TUA's president, Jim Tobin. "The average retirement age for this group of pensioners is only 58. Social Security requires taxpayers to reach age 67 before they are eligible for full retirement benefits…which max out at about $32,000 a year", added Tobin.

The Municipal Employees' Annuity and Benefit Fund of Chicago, (MEABF) is predicted to be insolvent in 8 years, according to its most recent audit. The auditing firm estimated that taxpayers would have to deposit $1,005,456,621 to make the fund solvent. MEABF does not include Chicago teachers, police, or firefighters who each have their own pension system, all separate from the 6 statewide pension funds.

To pay for these lavish city pensions, Mayor Rahm Emmanuel is increasing and creating new "entertainment taxes." Included in his proposed 2018 budget, are a measure to increase the current tax on some music and sports venues and a new entertainment tax on internet services such as Netflix, Hulu, Amazon, etc. The tax-per-seat will go up by 80 percent to 9 percent from 5 percent for tickets to concerts, plays or comedy shows for venues larger than 1500 seats. Victims of this tax increase include Wrigley Field, the home of the Chicago Cubs, and the United Center, home of the Chicago Blackhawks and the Chicago Bulls. There also is a new entertainment tax on major streaming services like Netflix. The tax on streaming services will extract $12 million from these companies, with the cost likely passed on to consumers.

"The state of Illinois is bankrupt. They can't pay their bills because the outrageously rich government pensions rob the taxpayers blind. And there won't be a bailout by the state for the city of Chicago – there just isn't enough taxpayer money. Taxpayers would have to pony up about $1,005,456,621 to make the MEABF solvent!"

"At every level of government in Illinois, bureaucrats are trying desperately to prop up the failed pension funds with more tax increases. You can be sure that the historic increase in the state's income tax won't be the last one."

"Here are a couple of examples of the 'poor public servant', taxpayer funded pensions:

Dennis J. Gannon collects an annual pension of $194,638. Assuming he leads a normal life of 85 years, that annual pension will accumulate to *$7,791,985*. Retiring at only 50, he will collect taxpayer funded pension payments for 35 years…far more years than he actually was employed by the city!

Then there's Stephen M. Murray. Collecting an annual pension of $146,896 will provide him with an *outrageous lifetime payout of $5,107,745*. Keep in mind that he retired at only 53 years of age!"

Click below to view the top 200 pensions for Chicago Municipal Retirees:

- Chicago municipal retirees top 200 Pensions

"These government pensions are legalized theft. Overpromising benefits to government employees is pervasive throughout Illinois. The government pensions are singularly responsible for Illinois' financial crisis."

"We support Gov. Bruce Rauner's plan to repeal the historic state income tax increase passed last year and resolve the pension problem through a change to pension protection clause in the Illinois Constitution," concluded Tobin.