

Press Release...



FROM THE OFFICE OF STATE REPRESENTATIVE LA SHAWN K. FORD

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For More Information:

State Rep. La Shawn K. Ford

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Ford Introduces Legislation for a Fair Tax

CHICAGO- State Rep. La Shawn K Ford, D-Chicago, calls for the restructuring of the Tax Code of Illinois and has introduced legislation that would change the Constitution of the state of Illinois to allow such a change.

Ford has introduced House Joint Resolution Constitutional Amendment 19 (HJRC A0019: <http://www.ilga.gov/legislation/BillStatus.asp?DocTypeID=HJRC A&DocNum=19&GAID=13&SessionID=88&LegID=84888>), which provides that individual income taxes may be at a graduated or a non-graduated rate.

According to a January 2015 report by the Institute on Taxation and Economic Policy (<http://www.itep.org/pdf/whopaysreport.pdf>), Illinois has the 5th most unfair state and local tax system in the country. In their analysis, when all state and local taxes are included, such as sales and excise taxes, property taxes and income taxes, lower income Illinoisans pay an overall tax rate almost three times that of the top income earners in Illinois. The lowest 20%, with incomes less than \$19,000 per year, pay an overall tax rate of 13.2%, whereas the top 1%, with incomes more than \$498,000 per year, pay an overall tax rate of 4.6%.

“We have to be more flexible in how we structure our tax code, and we must consider a fair income tax in which the income tax rate a person pays increases as their income increases,” said Ford. “This legislation would amend our state Constitution so we can design a fair tax code and not be limited to a flat tax rate like we have now which is the same rate whether you make \$35,000 a year or \$35 million a year. We still have much work to do to improve Illinois’ financial health. It is clear that more revenue is needed, but it must be fair and progressive and not regressive, as the proposed expanded sales tax would be. Regressive tax policy only hurts working families and those working to enter the labor force.”

The legislation also provides that any such tax imposed on corporations shall be at a non-graduated rate, not to exceed the average of the lowest and highest individual rates by more than a ratio of 8 to 5. “This legislation does not change the current flat tax rate for corporations, and also creates predictability for corporations as they look at their tax rates,” said Ford.

For more information, contact one of Ford’s constituent service offices: 816 S. Oak Park Avenue in Oak Park at 708-445-3673, 4800 W. Chicago Avenue in Chicago at 773-378-5902 or in the Stratton Office Building in Springfield at 217-782-5962, or visit www.lashawnford.com.

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