

NTUI NEWS RELEASE

NATIONAL TAXPAYERS UNITED OF ILLINOIS

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HB750 INCOME TAX HIKE WOULD ROB FROM POOR TAXPAYERS AND CREATE MORE RICH, MULTI-MILLION DOLLAR GOVERNMENT EMPLOYEE PENSIONS

CHICAGO—The proposed state income tax hike contained in HB750, currently in its second reading on the Illinois House floor, would be used mainly to fund lavish retirement pensions and benefits of public school teachers, administrators, and other public employees, charged the president of Illinois' largest taxpayer organization.

“A teacher outside of the Chicago Public School system with a salary of \$100,000—and there are many who receive that and more—can retire after 34 years and start receiving 75% of his or her salary, plus 3% more each year. If the retiree reaches a normal lifespan, he or she would receive a total of about \$2 million over the next 20 years,” said **Jim Tobin**, president of National Taxpayers United of Illinois (NTUI).

“Some teachers actually receive \$150,000 for 9 months of employment. If they retired after 34 years and lived to a normal lifespan, each would receive a total of \$3 million over 20 years of retirement. Some school superintendents receive as much as \$300,000 in annual salaries. The total retirement pensions for these overpaid public employees can be as much as \$6 million *per person* over 20 years.”

“That’s the real purpose of HB750. Total state revenue increased \$4 billion for the year ended June 30, 2006, so there is no revenue crisis. But there is a spending crisis, and politicians are looking for ways to fund these outrageous retirement pensions.”

HB750 would raise the state personal income tax up to 67 percent, and raise the state corporate income tax from 7.3 percent to 10.5 percent, making it the second highest state corporate income tax in the nation. It also would expand the state sales tax of 6.25 percent to many common services.

“Taxpayers won’t get any help from the business community on this issue. In fact, some business groups support HB750. The **Illinois Farm Bureau** is supporting ‘A+ Illinois’ and their push for HB750 and the **Commercial Club of Chicago** proposed a 33 percent income tax increase.”

“Illinois taxpayers are funding these outrageous retirement pensions of public employees, and HB750 would impose a backbreaking increase in the state income tax so these millionaire pensions and otherworldly benefits can be increased.”

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