

NTUI NEWS RELEASE

NATIONAL TAXPAYERS UNITED OF ILLINOIS

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FOR IMMEDIATE RELEASE

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NTUI ASKS STATE SENATORS TO OPPOSE HIKING STATE CORPORATE INCOME TAX TO 10.5%, MAKING IT SECOND HIGHEST IN NATION

CHICAGO—The president of Illinois' largest taxpayer organization today sent a letter to Illinois State Senators asking them to oppose the proposed increase in the state corporate income tax from 7.3% to 10.5%. HB 755 also would raise the state personal income tax 67%, \$5 billion.

“In my letter to State Senators, faxed today, I expressed concern regarding the misleading wording in HB 755, Amendment #2,” said **Jim Tobin**, President of National Taxpayers United of Illinois (NTUI). “The wording in this bill states that the corporate income tax would be raised from 4.8 percent to 8 percent. The fact is, along with the so-called ‘replacement tax’ of 2.5 percent, Illinois corporations have paid 7.3 percent since 1989. See the Legislative Research Unit First Reading, Nov. 1993, Vol. 8, No. 4, page 7 (call my office for a fax copy).”

The press is still giving out the wrong figure. The vast majority of Illinois residents, reporters and editorial writers have been misinformed about the true corporate income tax rate currently in force, and the true corporate rate that would impact Illinois corporations if HB 755 is passed. HB 755 would raise the state corporate income tax \$602 million, from 7.3 to 10.5 percent, making the Illinois corporate income tax the second highest in the nation, second only to Iowa. The real 7.3 percent Illinois corporate income tax rate can be confirmed by referring to the web site of the nonpartisan Tax Foundation, Washington, D.C.” (<http://www.taxfoundation.org/corporateincometaxrates.html>)

The same analysis applies to SB 2, SB 1484, SB 750, and HB 750.

Founded in 1976, NTUI is the largest taxpayer organization in Illinois with over 10,000 members and affiliation with more than 200 local taxpayer groups.

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