



By putting people back at the center of our priorities, fully funding the vital services described in the People's Agenda would support \$4.2 billion in the long term (\$323 million immediately) of additional economic activity in other parts of the Illinois economy, and create 78,000 new jobs.



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# The People's Agenda – Revenue Proposals

Illinois needs new revenue. We cannot solve our problems with cuts - working and middle class families have already been cut to the bone. In order to reverse the growing poverty in Illinois, we need to raise new revenue by making sure that those who can best afford it - the wealthy, big banks, and corporations pay their fair share.

## **Adopt a Fair Tax**

Illinois' constitution currently restricts the state income tax to a flat rate, which actually forces moderate and low-income people to pay a higher effective tax rate than the wealthy. By adopting a graduated income tax structure - with lower rates for lower incomes and higher rates for higher incomes - Illinois could raise billions of dollars to avoid repeated and devastating cuts to education and other vital services while also increasing tax fairness.

## **Close Carried Interest loopholes**

Finance managers in private equity and hedge funds make billions in profits every year, but enjoy very low tax rates on those profits. Closing these loopholes of the ultra-rich would raise anywhere from \$500m to \$1.7 billion annually in Illinois.

## **End Bad Bank Deals and “1st In Line” Treatment**

Banks have sold the State of Illinois bad deals, namely toxic interest rate swaps. These deals take hundreds of millions in tax dollars out of our community and put in bankers' pocket. Illinois has spent \$618 million on these swaps already, and the total costs to taxpayers could climb to \$1.45 billion by the time these deals end.

## **Close Corporate Tax Loopholes**

The Illinois tax code is full of provisions that let corporations dodge paying their fair share of taxes through deductions, tax credits, depreciation, and other loopholes. Over 2/3 of Illinois corporations pay no state income tax. We can close these loopholes and adopt measures like Oregon and Montana that require companies to report and pay taxes on money hidden in foreign tax havens. They would provide anywhere from \$139 million to \$2 billion in annual revenue.

## **Adopt a Financial Transaction Tax (FTT) - The LaSalle St. Tax**

The concept of a FTT is simple - just a small tax per trade. Wall Street firms and ultra-wealthy investors have made huge profits from speculative trading on LaSalle Street. By charging even a small fee per trade, an IL financial transaction tax has the potential to raise billions for the state.

***The People's Agenda is available for download at:***

<http://thegrassrootscollaborative.org/sites/default/files/ThePeoplesAgenda.pdf>

## **whogotpaid.org**

Want to learn more about the role of Big Banks in the budget impasse; read personal stories from social service providers; and download a budget toolkit that provides resources to start a conversation in your community?

Visit [www.whogotpaid.org](http://www.whogotpaid.org) for more info. Send us your stories to [nathan@thegrassrootscollaborative.org](mailto:nathan@thegrassrootscollaborative.org) if you have been affected by the budget cuts.