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**CIVIC COMMITTEE OF THE COMMERCIAL CLUB OF CHICAGO**  
**STATEMENT OPPOSING THE GRADUATED INCOME TAX REFERENDUM**

After much consideration, the Civic Committee of the Commercial Club of Chicago opposes the referendum on the ballot in November for a constitutional amendment to replace Illinois' flat income tax with a graduated income tax. Based on the State's decades long history of fiscal mismanagement, the graduated income tax amendment, if passed, all but promises that Illinois will not address its long-term financial challenges. The result will be further loss of jobs and people, long-term cuts in critical social services, a shrinking tax base burdened with growing debt, and a guarantee that Illinois will continue to have the worst credit rating of any state in the country.

We are confident that a comprehensive solution is within our reach, but only if all parties come to the table in a spirit of shared sacrifice to address our structural budget problems, unpaid bills, and growing pension debt. The solution, as we have called for repeatedly, is a comprehensive plan that includes new tax revenues, spending cuts, and reforms far more substantial than the projected revenues from the graduated income tax. We could support a graduated income tax as part of a comprehensive plan. However, absent such a plan, the State of Illinois will remain stuck in a financial rut, unable to move forward and held up as the national poster child for poor fiscal management.

Illinois has many competitive advantages, including our diversified economy, talented and diverse workforce, outstanding educational institutions and research facilities, central location, and world class transportation network. But all of that won't save us if we cannot get our fiscal house in order. Our hope is that, after voters reject the referendum, elected officials and other stakeholders come together and embrace a comprehensive financial plan to solve the state's fiscal issues and help Illinois reach its potential. We look forward to supporting that effort.

**About the Civic Committee**

Founded in 1983 by the Commercial Club of Chicago, the Civic Committee is comprised of the senior executives of the Chicago region's leading employers. Its mission is to make our region a better place for everyone to live, work, and do business. The Civic Committee establishes task forces and committees to undertake studies, develop recommendations, and work to address key policy issues confronting the Chicago region.