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Fairer tax treatment

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Perhaps nowhere was April 15—Tax Day—tougher on struggling families than in Illinois.

National tax experts have called Illinois' revenue system one of the most regressive in the country.

As an overall percentage of their earnings, the lowest-income Illinois families often spend twice as much as wealthier households on state and local taxes combined.

These families work hard, play by the rules and desperately need fairer tax treatment than we give them.

Yet families also depend upon good schools, health care and human services, and our state needs to raise new revenues to stabilize these vital but threatened programs. Thus we strongly applaud Gov. Pat Quinn's courageous call for an income tax increase that can help to both erase a massive state deficit and accommodate significant tax-fairness reforms.

The governor has proposed increasing the income tax's standard exemption to not only shield low- and moderate-income families from higher taxes but cut their taxes below current, unfairly high levels.

We believe it's also important to remember another, time-honored policy tool for improving tax fairness, one that enjoys strong, bipartisan support and targets relief directly to the families who need help most: the Illinois Earned Income Tax Credit. The EITC allows low-income, working households to hang onto more of their own, hard-earned money at tax time.

This helps families to better handle a variety of day-to-day necessities, ranging from groceries, medicine and mortgage payments to the defraying of other tax bills, such as property and sales taxes.

Still set at only 5 percent of the much bigger, federal EITC, the Illinois credit represents a maximum of only about \$240 per qualifying household, the nation's second-smallest state EITC.

Other states' credits are worth up to eight times more.

We should raise our Illinois EITC to at least 20 percent of its federal counterpart.

This would extend more help to the low-income, working families who need relief the most today—and protect them from shouldering an even bigger tax bill tomorrow.

—*Gaylord Gieseke, interim president,*

Voices for Illinois Children, Chicago

—*John Bouman, president, Sargent Shriver National*

Center on Poverty Law, Chicago

—*Rev. Al Sharp, executive director,*

Protestants for the Common Good, Chicago

—*David Marzahl, executive director,*

Center for Economic Progress, Chicago

—*Ralph Martire, executive director,*

Center for Tax and Budget Accountability, Chicago

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