May 22, 2019

How a graduated rate income tax would help reduce after-tax income inequality in Illinois

1. Introduction

Since 1979, the nation has seen a rapid and significant increase in income inequality between low- and middle-income Americans on the one hand, and the wealthiest one percent on the other.[1] Over that time span, the bottom 99 percent of American households saw their incomes increase by an average of just 14 percent after inflation.[2] Meanwhile, the wealthiest one percent saw their inflation-adjusted incomes balloon by 175 percent on average—or fully 12.5 times more than the income growth realized by everyone else.[3]

Illinois not only followed this trend, but when compared to the other 49 states, experienced one of the greatest increases in income inequality over this sequence. In fact, between 1979 and 2015, the top one percent of households in Illinois realized a 177 percent jump in inflation-adjusted income on average – which is almost 20 times greater than the nine percent average income growth experienced by the bottom 99 percent of Illinois households.[4] And that's before the impact of Illinois' regressive tax system is taken into account.

Because Illinois' tax system is "regressive," meaning lower- and middle-income people pay a larger proportion of their earnings in state and local taxes than do higher-income people, income inequality in the state is even greater on a net, after-tax basis. In fact, according to a report by the Institute of Tax and Economic Policy (**ITEP**), the bottom 20 percent of earners in Illinois on average pay 14.4 percent of their incomes in state and local taxes, while the wealthiest one percent pay just 7.4 percent.[5] It should be noted the full extent of the regressivity of Illinois' overall tax system is even worse than those figures indicate, because the ITEP report does not include the impact of user and related fees. Given these fees are highly regressive, their exclusion from the ITEP report makes Illinois state and local tax policy appear less regressive than it actually is.[6]

If properly designed, however, income tax policy can help lessen after-tax income inequality. In fact, the income tax is the only tax which can be broadly

used to lessen net, after-tax income inequality, because it is the only tax that can be designed to correspond to ability to pay.[7] This is best accomplished through the implementation of a graduated rate structure that imposes lower tax rates on lower levels of income and higher rates on higher levels of income – which is precisely what Governor Pritzker has proposed doing in Illinois. And in a state like Illinois, which has to increase tax revenue to address the multi-billion dollar long-term structural deficit in its General Fund,[8] creating a graduated rate income tax is one of the few ways the state can generate new revenue without worsening income inequality.

For these reasons, the following analysis reviews Governor Pritzker's proposal to amend the Illinois constitution to create a graduated rate income tax in the context of the worsening income inequality that has occurred over the last four decades.

2. Key Findings

- Between 1979 and 2015, real, inflation-adjusted income for the top 1 percent of American households increased on average by 175 percent, while the average income for the remaining 99 percent of U.S. households increased by only 14 percent.[9]
- Over the same time sequence, the wealthiest 1 percent of Illinois households saw their incomes grow on average by 177 percent, while the remaining 99 percent of households on average realized inflation-adjusted income growth of just nine percent.[10]
- Real, inflation-adjusted income for the bottom 90 percent of U.S. families has actually declined from 1979 to 2015. In fact, of the total growth in real, inflation-adjusted income in Illinois between 1979 and 2015, over 108 percent went to the wealthiest 10 percent.[11]
- While average income growth for the bottom 99 percent of households in Illinois has remained relatively stagnant for almost four decades (growing by an average of just 0.25 percent per year), the cost of many basic household necessities has increased.
- Between 2004 and 2017, median household income grew by 6.4 percent,[12] while the average weighted cost of consumer goods and services as measured by the Consumer Price Index (**CPI**) grew by 29.7 percent.[13]
- This dichotomy between relatively slow growth in income occurring over a sequence when the cost of consumer goods and services was growing rapidly, impeded the capacity of most low- to middle-income families to save or maintain their standard of living.[14]
- Growing income inequality is associated with slower economic growth. Real, inflation-adjusted gross domestic product (**GDP**) growth has averaged only 2.7 percent per year since 1980, when income inequality began to grow significantly, whereas real GDP growth averaged 3.8 percent per year from

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the end of World War II to 1979, when income growth was distributed more equitably across income classes.[15]

- Growing income inequality across races and ethnicities also has a negative economic effect. For example, it is estimated that the Chicago metropolitan area would have produced $150 billion—or 23.7 percent—more in goods and services in 2015 if it eliminated racial gaps in income and unemployment rates.[16]
- Illinois' regressive state and local tax structure exacerbates after-tax income inequality. As of 2016, the poorest 20 percent of families in Illinois paid an average of 14.4 percent of their income in state and local taxes. Meanwhile, the wealthiest one percent of families paid just 7.4 percent.[17]
- Before accounting for state and local taxes, families in the top one percent of income in Illinois make about 137 times more than families in the bottom 20 percent. After accounting for payment of state and local taxes, the top one percent in Illinois have net after-tax incomes that are 149 times greater than the bottom 20 percent.
- If a worker making $12,400 paid the same percentage of income in state and local taxes as a millionaire, she would have an extra $868 in take-home income—a boost in net, after-tax income of more than eight percent. A worker making $51,700 would have an extra $2,700, an increase of five percent.
- Regressive state and local tax systems also exacerbate after-tax income inequality by race and ethnicity. Consider that 64 percent of Latinos and 62 percent of African Americans had incomes below $40,000, compared to just 40 percent of white Americans.[18] Given that a greater percentage of African American and Latino individuals have lower incomes than whites, a tax system that places a greater tax burden on lower income individuals disproportionately harms people of color and further widens racial income gaps on a net basis after taxes.
- Due to Illinois' long term structural deficit, projections show the state's General Fund does not have the capacity to continue to fund the current level of services it provides into the future without a tax increase.[19] Given the inherently regressive nature of most taxes and the constitutional requirement that Illinois' income tax be set at a flat rate, current law makes it difficult for the state to identify new revenue sources that will also help redress Illinois' inherently regressive tax structure.
- In February 2019, Governor Pritzker unveiled his "Fair Tax" graduated rate income tax proposal, which would effectively:
    - Make take policy fairer in Illinois by reducing the income tax burden faced by the bottom 97 percent of income tax filers in the state, and thereby help reduce the negative impact Illinois tax policy has on worsening after-tax income inequality; and
    - Raise approximately $3.4 billion in new annual revenue to help address Illinois' long term structural deficit.

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3. Income inequality has grown both nationally and in Illinois

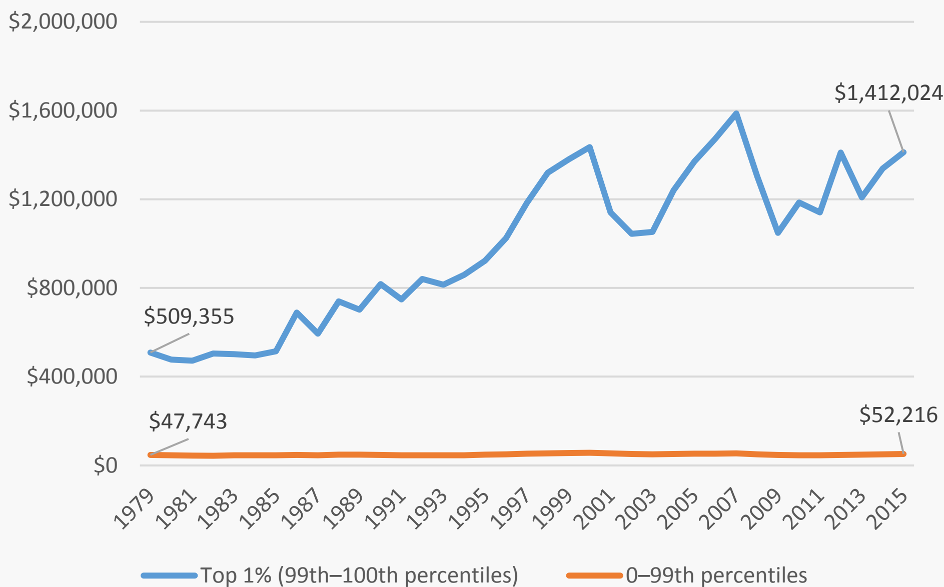
3.1. Inequality by income class

Over the past three-plus decades, various private sector economic trends – such as globalization[20] - have combined with policy decisions – such as tax policies that favor upper-income classes[21] – to widen both the before- and after-tax income gap between the wealthiest Americans and everyone else. In fact, between 1979 and 2015, real, inflation-adjusted incomes for the top 1 percent of American households increased on average by 175 percent, while the average incomes for the remaining 99 percent of U.S. households increased by only 14 percent.[22]

Over that same period, income inequality in Illinois grew at a faster rate than at the national level. As shown in Figure 1, between 1979 and 2015, the wealthiest 1 percent of Illinois households saw their incomes grow by an average of 177 percent, while the remaining 99 percent of households realized inflation-adjusted income growth of just 9 percent.[23]

Figure 1

Incomes of Top 1% and Bottom 99% in Illinois, in 2015 Dollars, 1979-2015



Source: CTBA Analysis of Economic Policy Institute "Unequal States of America" 2018 Data.

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This means income of the bottom 99 percent of Illinois households has been relatively stagnant for over three decades, growing in real terms by an average of just 0.25 percent per year over the last 36 years.
Illinois' income gap between the top one percent and bottom 99 percent of households not only grew at a faster rate than at the national level, but also grew at the fastest rate of any state in the Midwest, as shown in Figure 2. In fact, in 2015, of all 50 states, Illinois ranked as having the 8th most unequal distribution of income, up from 10th in 2013.[24]

Figure 2

Ratio of Average Income Growth by Top 1% in Household Income to Bottom 99% in Household Income, U.S. and Midwest, 2015

State/Region	Average Income of Top 1%	Average Income of Bottom 99%	Top-to-Bottom Ratio
Illinois	***$1,412,024***	***$52,216***	***27.0***
United States	$1,316,985	$50,107	26.3
Michigan	$917,701	$42,825	21.4
Missouri	$944,804	$44,650	21.2
Minnesota	$1,185,581	$56,728	20.9
South Dakota	$1,130,048	$56,610	20.0
Wisconsin	$964,358	$50,953	18.9
Ohio	$858,965	$46,157	18.6
Kansas	$1,034,676	$56,628	18.3
Indiana	$804,275	$46,501	17.3
Nebraska	$945,869	$58,013	16.3
North Dakota	$1,080,845	$68,316	15.8
Iowa	$788,419	$53,753	14.7

Source: Economic Policy Institute, "The New Gilded Age," July 19, 2018.

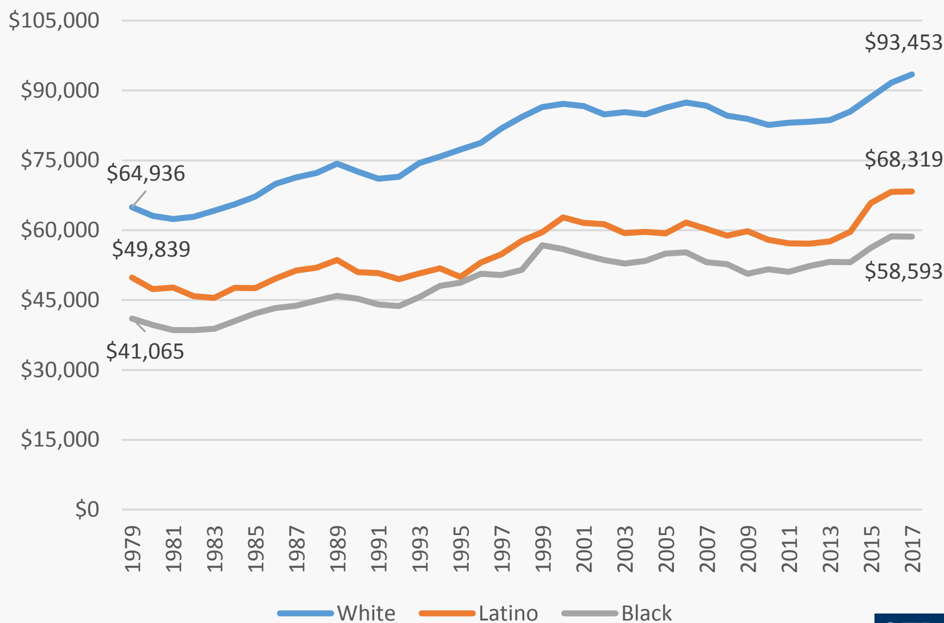
3.2. Inequality by race/ethnicity

Income gaps have not only grown over time between the wealthiest and least wealthy, but also between white households and households of color. Consider that, nationally, in 1979 average annual income for white households was $23,871 greater than average annual income for black households, and $15,097 greater than for Latino households (when inflation adjusted to 2017 dollars).

Since then, the gap has widened. Between 1979 and 2017, the black-white income gap grew by 46 percent, to $34,860, and the Latino-white gap grew by 66 percent, to $25,134.[25] As of 2017, the average annual income of white households of $93,453 was 1.4 times greater than the average annual black household income, and 1.6 times greater than the average Latino household income, as illustrated in Figure 3.[26]

Figure 3

Average Household Income by Race/Ethnicity, Inflation Adjusted to 2017 Dollars



Source: U.S. Census Bureau, Historical Income Tables: Households, Table H-5.

4. As incomes have stagnated for most households, costs for most household necessities have risen significantly

While average income growth for the bottom 99 percent of households in both the United States and Illinois has remained relatively stagnant for over three decades, the costs of many basic household necessities have increased. As shown in Figure 4, though the costs for discretionary items like toys and televisions have declined since 1996, the costs of necessities like medical services and child care jumped 123 and 128 percent respectively since then. The stagnation in income growth for most U.S. households coupled with growing

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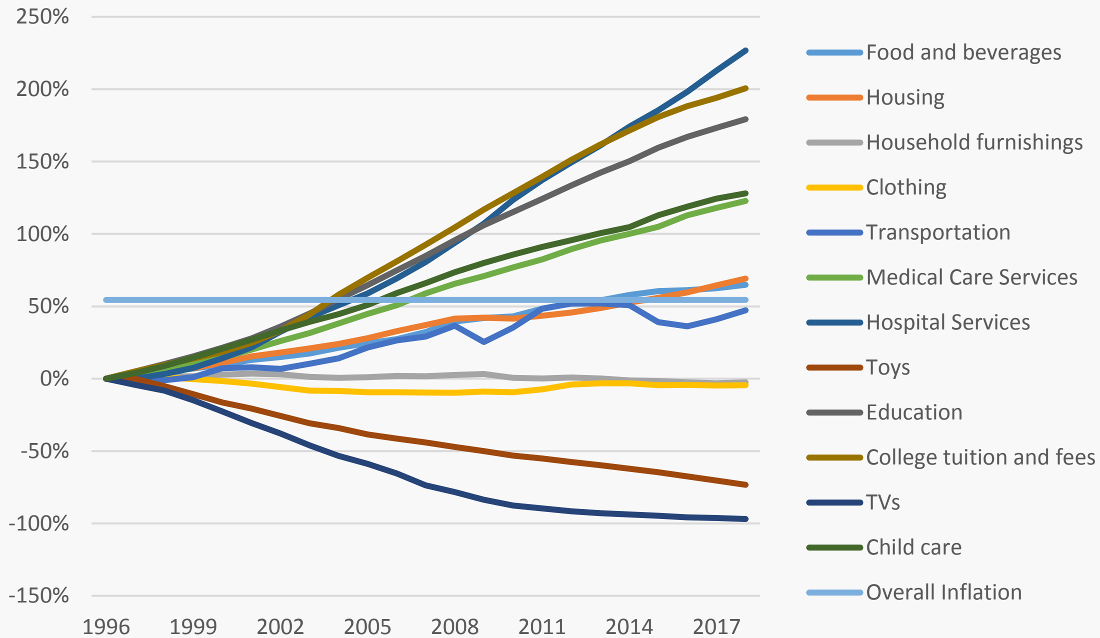
costs for necessities resulted in the median family of four in the U.S. spending a greater portion of total annual income on basic expenses in 2014 than in 1996.[27]

Figure 4

Percent Change in Prices of Selected Goods and Services Since 1996



Source: CTBA Analysis of U.S. Census Bureau CPI data

The faster rate of growth in the costs of goods and services than in income for most workers has been effectively reducing the amount of money households are able to devote to savings, education, and other wealth-building investments, while compelling most households to devote more of their annual income to covering the cost of basic necessities. For instance, a study conducted in 2016 by Pew Charitable Trusts found that the median household had over $17,000 in pre-tax income remaining after paying all expenditures for necessities in 2004 – the base year of Pew's 10-year analysis. By 2014, however, Pew found that, after covering expenditures for basic necessities, remaining pre-tax income for the median household had declined to just $5,900.[28]

Meanwhile, over that same ten year period, households in the bottom third of the income distribution fared even worse economically than did median households. The typical household with an income in the bottom third nationwide had just under $1,500 in remaining pre-tax annual income after all household expenditures in 2004. By 2014, however, the leftover income for a household in the lower third decreased to a *negative $2,300*, meaning those

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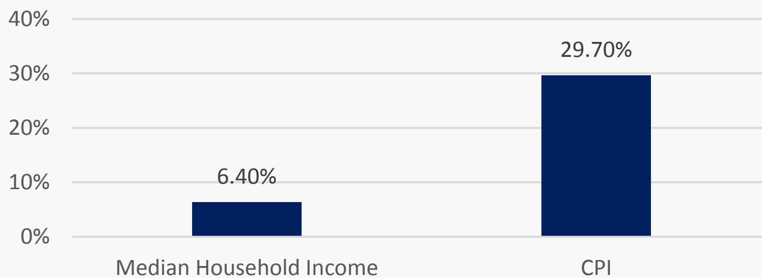
households either had to use savings or credit to meet all annual expenditures, or do without.[29]

Since 2004—the base year used in the Pew study—median income growth has not kept pace with inflation. In fact, between 2004 and 2017, median household income grew by just 6.4 percent.[30] Over that same period, the average cost of consumer goods and services as measured by the Consumer Price Index (**CPI**) grew 29.7 percent,[31] as shown in Figure 5.

Figure 5
Growth in Median Income versus Inflation as Measured by Consumer Price Index, 2004-2017



Sources: U.S. Census Bureau and Bureau of Labor Statistics

Given that median income growth is not keeping up with CPI growth, it is likely that households in the bottom third of income have continued to see an erosion in their capacity to cover the costs of basic necessities.

5. Growing income inequality is associated with slower economic growth

Increasing income inequality over time poses a threat to Illinois' economic growth for two simple reasons. First, because most households in Illinois have had relatively flat incomes over the last four decades, they've had to devote a greater portion of that income to covering the costs of basic necessities like food, healthcare, housing, and transportation. This of course leaves them with less income to invest in education or entrepreneurial activity, which are both shown to boost a state's economy.[32]

Second, long term economic growth is driven by consumer spending, which annually accounts for 66-68 percent of all economic activity at both the national and state levels.[33] And while real incomes have been relatively static for the

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bottom 99 percent of Illinois families over the last four decades, real, inflation-adjusted incomes for the bottom 90 percent of Illinois families have actually declined from 1979 to 2015, as shown in Figure 6.

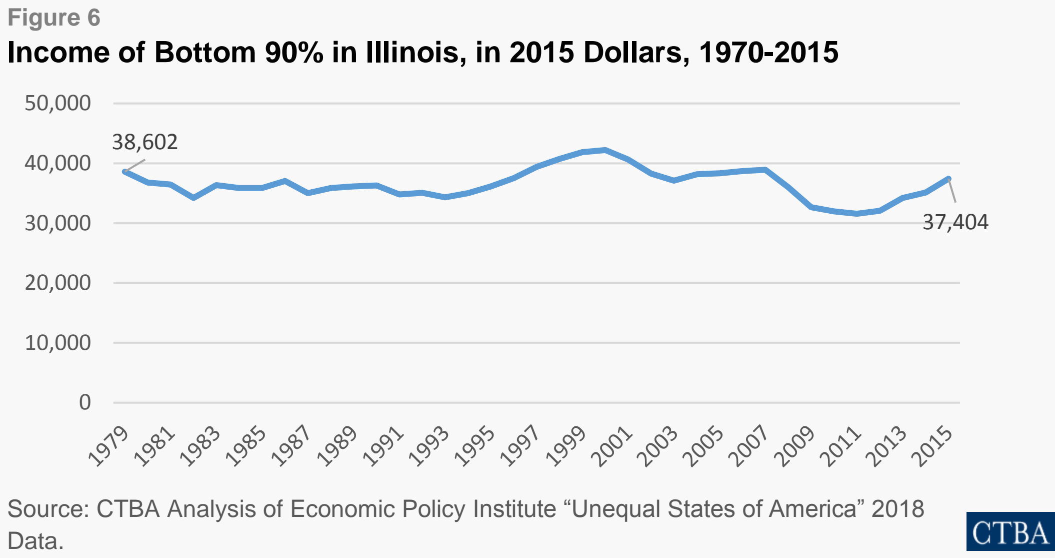

Figure 6

Income of Bottom 90% in Illinois, in 2015 Dollars, 1970-2015

Source: CTBA Analysis of Economic Policy Institute "Unequal States of America" 2018 Data.

This effectively means that 90 percent of Illinois families are seeing their real purchasing power decline over time. In fact, more than all of the total growth in real, inflation-adjusted average income in Illinois between 1979 and 2015 went to the wealthiest 10 percent, as shown in Figure 7.[34]

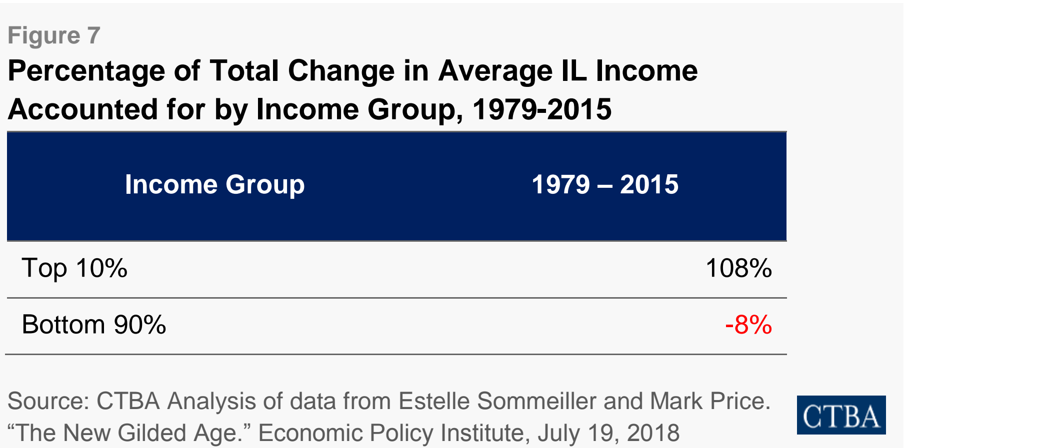

Figure 7

Percentage of Total Change in Average IL Income Accounted for by Income Group, 1979-2015

Income Group	1979 – 2015
Top 10%	108%
Bottom 90%	-8%

Source: CTBA Analysis of data from Estelle Sommeiller and Mark Price. "The New Gilded Age." Economic Policy Institute, July 19, 2018

CTBA

There is reason to believe that slow growth in the incomes of the bottom 90 percent can negatively affect the economy as a whole. When the private sector economy shifts real income growth over an extended period of time from low- and middle-income households, which have high spending rates and relatively low savings rates, to higher-income households, which have relatively low spending and higher savings rates, the net impact on the economy is slower

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consumer spending growth rates. Since over two-thirds of the private sector economy is made up of consumer spending, slower consumer spending growth can result in slower overall economic growth.[35]

The national data bear this out, as real gross domestic product (**GDP**) growth has averaged only 2.7 percent per year since 1980, as income inequality has grown significantly, whereas it was 3.8 percent per year from the end of World War II to 1979, when income growth was distributed more equitably across income classes.[36]

These large national trends tend to be mirrored at the local and regional levels. For instance, research indicates that counties with lower levels of income inequality are more resilient to economic shocks, like recessions. According to the Metropolitan Planning Council (**MPC**), between 2006 and 2010, income inequality was one of the most effective ways to predict a county's risk of entering into recession—i.e., the greater the income inequality, the more likely a recession became.[37] Moreover, MPC's research found that, even though most areas in the United States are experiencing declines in economic mobility along income class lines, the decline in such mobility is more prominent in states like Illinois which have higher levels of economic inequality.[38]

Other research, while showing a complex relationship between income inequality and economic growth, does indicate income inequality can be harmful. Indeed, a meta-analysis of the literature done by the Washington Center for Equitable Growth in 2014 specifically found that "there is growing evidence that, in the long run, more equitable societies are associated with higher rates of economic growth."[39]

6. Racial and ethnic income inequality is associated with slower economic growth

Growing income inequality across races and ethnicities also has a negative economic effect. For example, it is estimated that the Chicago metropolitan area would have produced $150 billion—or 23.7 percent—more in goods and services in 2015 if it eliminated racial gaps in income and unemployment rates.[40]

Moreover, the research shows that the combination of increased diversity and decreased levels of income inequality has a positive effect on regional economies. Indeed, the Cleveland Federal Reserve's analysis of U.S. regional growth factors showed that, aside from building a skilled workforce, three of the greatest influencers of positive regional growth in employment and output were: racial and ethnic diversity and inclusion along income class lines; low

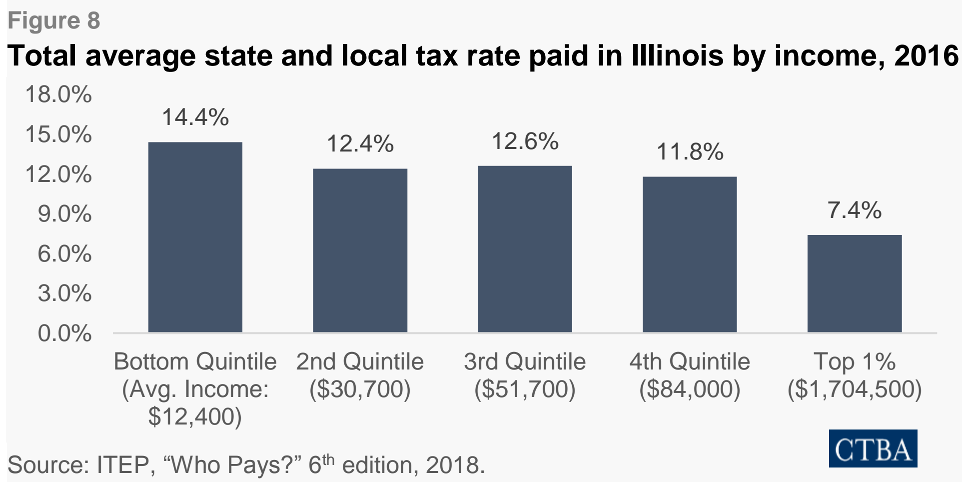
rates of racial segregation; and low levels of income stratification.[41] In fact, promoting an inclusive model of economic growth has been shown to improve the economic circumstances for both low-income and minority communities specifically, as well as boost economic growth and competitiveness of the region in which they are situated generally.[42]

7. Illinois' current tax system exacerbates after-tax income inequality overall and by race/ethnicity

The current design of state and local tax policy in Illinois actually compounds and worsens the income inequality created by national and global forces. This is because Illinois' state and local tax system is regressive. That means it imposes a greater tax burden on low- and middle-income people than on high-income people, when tax burden is measured as a percentage of family income. Research from the Washington, DC-based Institute on Taxation and Economic Policy (**ITEP**) shows that Illinois consistently has one of the most regressive state and local tax systems in the country. In its 2018 report "Who Pays?", ITEP found that the poorest 20 percent of families in Illinois paid 14.4 percent of their income in state and local taxes. Meanwhile, the top one percent of families paid just 7.4 percent, as shown in Figure 8.

Figure 8

Total average state and local tax rate paid in Illinois by income, 2016



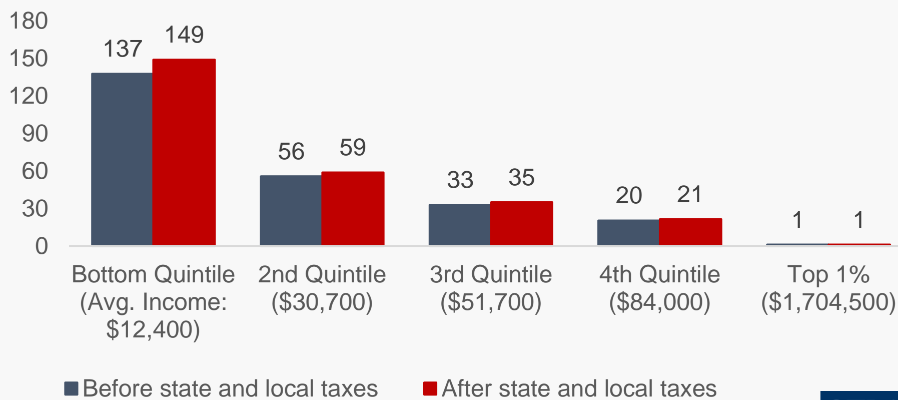
Source: ITEP, "Who Pays?" 6th edition, 2018.

As unfair and regressive as that is, the reality in Illinois is worse. That's because the ITEP analysis does not include fees assessed by units of state and local government to fund services. Fees are also a regressive way to pay for public services, because they take a greater portion of the earnings of low to moderate income families than high income families,[43] and hence the failure to include such fees in the ITEP study makes the regressivity of Illinois' overall tax structure seem less severe than it actually is.

Illinois' regressive tax system effectively worsens income inequality in the state after taxes. Consider that, before accounting for state and local taxes, families in the top one percent of income in Illinois make about 137 times more than families in the bottom 20 percent, and 33 times more than families in the middle 20 percent. But after accounting for payment of state and local taxes, the top one percent in Illinois have net after-tax incomes that are 149 times greater than the bottom 20 percent, and 35 times more than the middle 20 percent, as shown in Figure 9.

Figure 9

Ratio of income of richest one percent to other income groups in Illinois, before and after state and local taxes, 2016



Source: CTBA analysis of ITEP, "Who Pays?" 6th edition, 2018.

One way to illustrate how Illinois' regressive tax policy worsens after-tax income inequality is to calculate how much additional income lower- and middle-income households would have if they paid state and local taxes at the lower rates paid by the richest one percent. For instance, if a worker in the bottom 20 percent of income making just $12,400 per year had paid the same percentage of income in state and local taxes as a millionaire household in the top one percent, that low-income worker would have an extra $868 in net, after-tax income—a boost of more than eight percent. Similarly, if a worker in the middle quintile making $51,700 per year, paid the same percentage of income in state and local taxes as a millionaire in the top one percent, he or she they would have an extra $2,700 in net, after-tax income, an increase of five percent.

> If a worker making $12,400 paid the same percentage of income in state and local taxes as a millionaire, she would have an extra $868 in take-home income—a boost of more than eight percent. A worker making $51,700 would have an extra $2,700 – an increase of five percent.

Regressive state and local tax systems not only exacerbate after-tax income inequality in general, but also by race and ethnicity. Consider that, in 2016, fully

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64 percent of Latinos and 62 percent of African Americans had incomes below $40,000, compared to just 40 percent of white Americans.[44] Not surprisingly then, black and Latino median incomes were just 65 and 63 percent as much respectively as white median income.[45] Given that black and Latino individuals are more likely to have lower incomes than whites, a tax system that places a greater tax burden on lower income individuals disproportionately harms people of color and further widens the racial income gap on a net basis after taxes.

8. How Governor Pritzker's graduated rate income tax proposal helps reduce the worsening of after-tax income inequality caused by Illinois' regressive tax policy

In February 2019, Governor Pritzker unveiled a "Fair Tax" graduated rate income tax proposal. His plan would cut income tax payments for 97 percent of filers while raising approximately $3.4 billion in annual revenue. The Governor's graduated rate proposal is shown in Figure 10.

Figure 10

Governor Pritzker's proposed Fair Tax graduated income tax structure

Taxable income above	Taxable income below	Marginal Rate
$0	$10,000	4.75%
$10,001	$100,000	4.90%
$100,001	$250,000	4.95%
$250,001	$500,000	7.75%
$500,001	$1,000,000	7.85%
$1,000,001	-	7.95%*

Note: Tax filers with incomes above $1 million will have their total taxable income taxed at 7.95%.

Because income taxes are just one part of Illinois' state and local tax system— alongside sales taxes, property taxes, excise taxes and fees— and because Illinois' General Fund is subject to a multi-billion dollar structural deficit, the proposed graduated rate income tax cannot on its own completely eliminate the regressive nature of Illinois' tax system. After all, every dollar of tax relief that goes to low and middle income earners is a dollar that either has to be cut from spending on core services or raised in additional tax increases. That said, because the income tax is the only tax that can be designed to comport with

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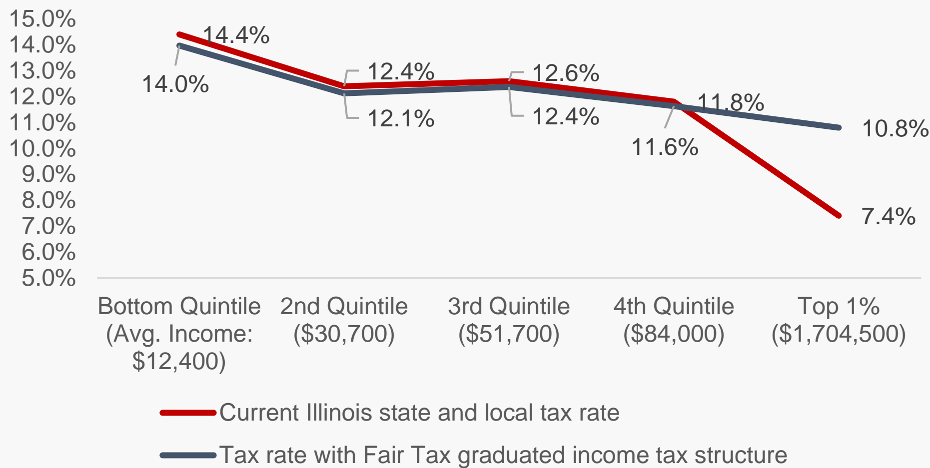
ability to pay and hence make the Illinois tax system more progressive, Governor Pritzker's proposal is both technically sound and helps make Illinois' overall tax system fairer. As shown in Figure 11, if enacted, the rate structure proposed by Governor Pritzker would in fact make the tax burden in Illinois less regressive and hence fairer to taxpayers.

Figure 11

Total effective state and local tax rate by income category: Current law v. proposed Fair Tax graduated income tax structure



Source: ITEP, "Who Pays?" 2018 and CTBA analysis

Moreover, the $3.4 billion in net revenue Governor Pritzker projects his Fair Tax would generate—after paying for the tax relief provided to low and middle income families—goes a long way to help address Illinois' fiscal problems.

For instance, in FY2019, the state will spend an estimated $25.316 billion on current services through its General Fund.[46] However, as things currently stand, the Governor's Office of Management and Budget (**GOMB**) projects that the state's General Fund will end FY2019 with an accumulated deficit of $8.391 billion. This means that 32 percent of General Fund spending on current services will be deficit spending. That's a problem because well over $9 out of every $10 of General Fund spending on services goes to the four core areas of: healthcare; human services; education (including Pre-K, K-12, and higher education); and public safety. To make getting its fiscal house in order even more challenging for the state, Illinois' new school funding formula – the "Evidence Based Formula" (**EBF**) which passed in 2017 as Public Act 100-0465 – imposes an obligation on the state to enhance its funding of K-12 education significantly over the next decade.

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The good news is the EBF is effectively addressing the historic inequity created under the old system by directing most new funding to those districts with the greatest shortfall in the amount research indicates they need for their students to succeed academically.[47] The bad news is, according to the Illinois State Board of Education (**ISBE**), the current level of K-12 funding in Illinois is some $7.35 billion less overall than what the evidence indicates is needed for every student across the state to receive an adequate education.[48] The EBF requires that shortfall be eliminated within 10 years.[49]

And that's not the only education-related funding issue Illinois faces. Between FY2000 and FY2019, Illinois cut real funding for higher education by more than 50 percent.[50] Low-income students have been hardest hit by the skyrocketing tuition and falling tuition assistance that have been the consequence of state funding cuts. Consider that, in FY2002, the maximum amount of assistance an eligible student could receive under Illinois' Monetary Award Program (**MAP**) covered more than 100 percent of the average cost of public university tuition and fees in Illinois. Moreover, 100 percent of eligible applicants received a MAP grant back in FY2002. By FY2018, however, the maximum MAP grant covered just 32 percent of the average cost of tuition and fees, and only 44 percent of eligible applicants received MAP assistance.[51]

Obviously, given the state's current fiscal woes, it will not have the capacity to do an adequate job of funding either K-12 or higher education without a tax increase. Given the regressive nature of Illinois' overall state and local tax system, it makes sense to have much of the new tax revenue generated in as fair a manner as possible. This is why Governor Pritzker's proposal to raise some $3.4 billion in new, recurring annual revenue through a graduated rate income tax structure that generates all new revenue from the wealthiest three percent of taxpayers makes sense.

9. Conclusion

Illinoisans have been especially affected by the national and global trends of rising income inequality. State tax policy could be designed to help reduce after-tax income inequality by tracking ability to pay. The only tax that can be crafted to accomplish this is the income tax, and then only if it has a graduated rate structure that imposes higher rates on higher incomes and lower rates on lower incomes. Unfortunately, Illinois' state constitution currently prohibits the creation of a graduated rate structure.

As a result, Illinois' state and local tax system is highly regressive and actually exacerbates growing after-tax income inequality by disproportionately burdening low- and moderate-income families, while asking the least from the

state's wealthiest earners. Meanwhile, the state has cut funding for crucial public services and programs that disproportionately affect low- and moderate-income households, such as state-funded MAP grants. Governor Pritzker's proposed "Fair Tax" would address both of these issues and start changing the regressive curve of Illinois' tax system.

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ENDNOTES

[1] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[2] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[3] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[4] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[5] ITEP, "Who Pays?" 6th edition, 2018.

[6] Capps, Kriston. "Why City Fees Keep Rising Instead of Taxes." CityLab, June 4, 2015. https://www.citylab.com/life/2015/06/why-city-fees-keep-rising-instead-of-taxes/394844/

[7] The estate tax can also be used to counter income inequality, but it is far narrower in scope.

[8] CTBA. "More of the same: The FY2019 General Fund budget fails to address Illinois' long-term structural fiscal issues." October 2018. https://www.ctbaonline.org/reports/more-same-fy2019-general-fund-budget-fails-address-illinois-long-term-structural-fiscal

[9] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[10] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[11] CTBA analysis of Economic Policy Institute, "Unequal States of America Data," http://go.epi.org/unequalstates2018data

[12] United States Census Bureau, "Historical Income Tables: Households," Table H-8, "Median Household Income by State."

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